

INTER-DEPARTMENTAL COMMITTEE ON PUBLIC
ASSISTANCE ADMINISTRATION.

REPORT

OF THE

COMMITTEE ON THE CO-ORDINATION OF ADMINIS-
TRATIVE AND EXECUTIVE ARRANGEMENTS FOR
THE GRANT OF ASSISTANCE FROM PUBLIC FUNDS
ON ACCOUNT OF SICKNESS, DESTITUTION AND
UNEMPLOYMENT.

Presented to Parliament by Command of His Majesty.



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CONTENTS.

	PAGE.
COST OF ENQUIRY	2
CONSTITUTION OF COMMITTEE—TERMS OF REFERENCE	5
REPORT.	
PART I.—INTRODUCTORY—	
Method of Enquiry—Evidence	6
Origin of the Committee	6
Scope of Terms of Reference	7
Character of the Public Assistance Services	8
PART II.—SCOPE AND OBJECTS OF THE PUBLIC ASSISTANCE SERVICES—	
The Poor Law	8
Early Specialisation of Assistance Services	10
Growth of Tendency towards Increased Specialisation	11
Lines of Development	12
Unemployed Workmen Act	13
Provision for Necessitous School Children	13
School Medical Services	14
Old Age and Blind Pensions	14
Employment Exchanges	15
National Health Insurance Scheme	15
Treatment of Tuberculosis	17
Unemployment Insurance Scheme	17
Relief Works	19
Juvenile Unemployment Centres	19
Training of Unemployed Women	20
Mental Deficiency Service	20
Treatment of Venereal Disease	20
Maternity and Child Welfare Service	20
War Service Compensation Scheme	21
Pensions and Allowances	22
Treatment and Training	23
Employment and Resettlement	23
PART III.—REVIEW OF SERVICES—"GAPS"	
Limitations of certain specialised Schemes	25
(A) National Health Insurance Scheme	26
(B) Unemployment Insurance Scheme	27
(C) War Service Compensation Scheme	29
Summary	30
Examination of Specific Cases—	
Medical Standards under the Health and Unemployment Insurance Schemes	31
Disallowance of certain Claims to Uncoordinated Unemployment Benefit	37
Alleged Delays by Approved Societies	37
Claims to Health Insurance Benefit on Completion of Treatment with Allowances under the Ministry of Pensions	38
Interval between Payment of Treatment Allowances and Insurance Benefits	40
Certificates granted by Doctors of the Ministry of Pensions	40
Alleged Failure of Adjustment between Pensions to Dependents based on Need and Old Age Pensions	42

	PAGE.
PART IV.—REVIEW OF SERVICES—OVERLAPPING	43
Statutory Duplication of Provision	44
Inter-relation of Services	44
Position of the Poor Law	46
Overlapping as a Result of Failure of	
Administrative Co-ordination	48
Evasion of Statutory Restrictions	48
Misrepresentation as to Means	49
Responsibility for Overlapping	50
Arrangements for Administrative Co-ordination	51
Efficacy of Administrative Arrangements	54
Overlapping between Poor Law and School Meals Service in	
England and Wales	54
Overlapping between Poor Law and certain other discretionary	
Services	55
Machinery and Areas of Administration	56
Duplication of Investigating Staffs	56
Differences in Income Scales	56
Differences in Administrative Areas	57
PART V.—GENERAL REMEDIES FOR FAILURE OF ADMINISTRATIVE	
 AND EXECUTIVE CO-ORDINATION	58
Introductory	58
Registration of Assistance—Historical and Descriptive	59
Universal and Compulsory Registration of Assistance	60
Limited Voluntary Registration of Assistance	62
Information Officers	63
SUMMARY OF RECOMMENDATIONS	65
APPENDICES.	
Appendix I. List of Witnesses examined... ..	68
" II. Correspondence between Mr. Sidney Webb, M.P.	
and the Rt. Hon. A. Bonar Law, M.P.	69
" III. Descriptions of Schemes	73
Chapter I.—The Poor Law	74
" II.—Old Age and Blind Pensions	85
" III.—Provision on account of Sickness	
and Infirmary	88
" IV.—Provision on account of Unemploy-	
ment	118
" V.—Services provided by Education	
Authorities	137
" VI.—War Service Compensation	
Scheme	144
" IV. Inter-relation of certain Schemes	159

CONSTITUTION OF COMMITTEE.

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**Note*.—Mr. H. B. Betterton was appointed Chairman of the Committee on the 17th March, 1923, in succession to Major A. B. Boyd Carpenter, M.P.

TERMS OF REFERENCE.

"To examine the existing arrangements for the grant of assistance on account of sickness, unemployment and destitution from public funds and from the contributory schemes of Health and Unemployment Insurance, with a view to securing the fullest co-ordination of administrative and executive action."

INTER-DEPARTMENTAL COMMITTEE ON PUBLIC ASSISTANCE ADMINISTRATION.

REPORT.

To the Right Hon. STANLEY BALDWIN, M.P.

SIR,

1. We were appointed by your predecessor, the late the Right Hon. A. Bonar Law, M.P., on the 6th February, 1923, "to examine the existing arrangements for the grant of assistance on account of sickness, unemployment and destitution from public funds and from the contributory schemes of Health and Unemployment Insurance, with a view to securing the fullest co-ordination of administrative and executive action," and we now have the honour to submit the following Report

PART I.—INTRODUCTORY.

Method of Enquiry—Evidence.

2. We have held 15 sittings, at 7 of which we have taken evidence from 23 witnesses, of whom a list is annexed in Appendix I. We have had submitted to us particulars of a number of individual cases which appeared to bear upon the subject of our enquiry, and we have considered these cases in the light of investigations made into them on our behalf by the Departments concerned. We have also received written statements from the London County Council and the London Labour Party and memoranda from a number of Government Departments whose activities fall within the scope of our enquiry.

We desire to express our thanks to the persons and organisations who have assisted us in the enquiry, for the careful statements submitted to us and for information readily supplied.

Origin of the Committee.

3. The appointment of the Committee was the outcome of correspondence between Mr. Sidney Webb, M.P., and the late the Right Hon. A. Bonar Law, M.P., in January, 1923. This correspondence is reprinted in Appendix II. Mr. Webb had complained that many persons, especially ex-service men, were failing to obtain provision for their needs under the various schemes of public assistance at present in operation "by reason only of the gaps in and between the several schemes, and of the imperfection of the inter-departmental co-ordination", but in the

detailed evidence which Mr. Webb submitted to us in writing and orally, he devoted himself largely to criticism of the adequacy of the provision made and of the terms and conditions upon which such provision is granted or withheld within the statutory limits of the schemes themselves

Scope of Terms of Reference.

4. Such criticism opens up a wide field of controversy on which we have not felt empowered to enter. Our terms of reference directed us to the consideration of practical defects in the working of the various schemes remediable by administrative or executive action. We apprehend, therefore, that we were not desired to comment on the merits of the various schemes, or on the adequacy of the provision made under them, judged by any political theory of the obligations of the State to those of its citizens who may be in need of one kind of assistance or another. Nor where assistance is to a greater or less extent discretionary have we felt called upon to examine the principles on which such assistance is withheld or granted.

Our task has been the consideration of certain schemes, in the first place, from the point of view of possible failure to co-ordinate administration, as a result of which persons may fail to obtain assistance, the provision of which was contemplated by statute. From this angle we have examined more particularly the points of contact between the several schemes and have sought to ascertain how far persons may be encountering obstacles of an administrative order in passing from the scope of one scheme into that of another. In the second place, we have considered cases where persons or households may be obtaining assistance under two or more schemes simultaneously in excess of the measure contemplated by statute, the "overlapping" being possibly due to defective arrangements between the authorities concerned for keeping each other informed of action taken in individual cases. In surveying the various schemes from this point of view, we have also had regard to the possible uneconomical use of administrative machinery and to the difficulties arising out of the existence side by side of a number of authorities administering, frequently by different standards, schemes which may provide in various ways for the same individual or at any rate for members of the same family.

5. The schemes which we have taken into account are enumerated in Appendix III. It will be seen that, in addition to the Poor Law, the Health Insurance and Unemployment Insurance schemes, we have included in our survey the most important schemes under which provision is made out of public funds (*i.e.*, money provided by the National Exchequer or local rates) on account of necessitous circumstances and sickness in the widest sense of these terms.

We have also included (for reasons which we indicate below—paragraph 44) the schemes of pension and allied forms of provision on account of service in the late war, though they are schemes

of compensation and not of public assistance in the ordinary acceptance of the term. In subsequent paragraphs we refer to these forms of provision generally as the War Service Compensation scheme.

Character of the Public Assistance Services.

6. We think it desirable at the outset of our Report to emphasise one fact. The public assistance services of the country, as they stand to-day, are the outcome of long years of growth. They have been framed for the most part independently of one another, and no attempt has been made to weld the various services into a logical whole co-ordinated by statutory design. In the result, far from constituting a system comparable to a closely articulated organism, they are a collection of more or less independent units whose statutory relationship to one another is in many cases not so adjusted as to prevent the occurrence of what may, if the historical course of development is not kept constantly in mind, seem to be anomalies. It appears to us that the perception of this fact, to which we return at a later stage in our Report, helps in great measure to explain such imperfections of working as may be found. We have, therefore, thought it desirable to include in an appendix to this Report (Appendix III) descriptions in some detail of the several schemes and to give in brief outline in subsequent paragraphs of the Report itself an account of the development of the services in recent years, together with an indication of their scope and objects.

7. The rapid development of the public assistance services in recent years has not only enormously widened the range, but in some measure also has transformed the essential nature of the problems with which Commissions and Committees appointed in recent years to consider matters akin to those covered by our reference have had to deal, notably the Royal Commission on the Poor Laws and Relief of Distress, 1905-09, and the Committee appointed in 1917 under the Chairmanship of Sir Donald MacLean (Report—Cd. 8917/1918). The public assistance services of the country are operating to a large extent under emergency conditions; but we have felt that even at this date general accounts of the various services, prepared so far as possible from a common point of view, might be helpful by revealing the range and complexity of the services now in operation and of the problems involved in any modification of existing arrangements.

PART II.—SCOPE AND OBJECTS OF THE PUBLIC ASSISTANCE SERVICES.

The Poor Law.

8. The Poor Law system is the oldest of the social services of the country providing assistance from public funds, and while, as a result of the social legislation of the present century, special provision has been made for assisting a number of separate

classes of persons in certain contingencies, such as old age, unemployment, sickness and disablement, the Poor Law remains the only system which is universal in its scope. Its purpose is the relief of destitution in the widest sense of the term, and it is founded on the recognition on the part of the community of a legal responsibility, exercised through Local Authorities administering local funds on a discretionary basis, to provide for its members a last resort against the final extreme of want.

9. In its simplest terms in England and Wales the Poor Law imposes on local Poor Law Authorities the duty of affording relief at their discretion to meet the needs of any case in which application is made to them by or on behalf of a destitute person. Long before a complex system of specialised assistance services outside the Poor Law had developed, however, these simple conceptions of destitution and necessary relief were expanding into the view that Poor Law Authorities must provide specialised forms of relief, and in fact many years before the end of the nineteenth century specialised treatment was being provided by Poor Law Authorities for such classes as the aged, the sick and the children.

10. The unit of Poor Law administration in England and Wales is generally the Union of Parishes in the charge of an elective Board of Guardians, representing the several Parishes, working under the oversight of a Central Authority, the Minister of Health. Relief may be granted by the Guardians, broadly, in two forms—indoor relief in an institution maintained by the Guardians, or outdoor relief in the applicant's home. Before the Armistice outdoor relief was seldom given to able-bodied men. At the present time the number of persons relieved who receive institutional relief is comparatively small. In the majority of cases outdoor relief in the form of assistance in money or in kind (including medical attention and special nourishment for the sick) is given to applicants in their own homes. An able-bodied applicant for assistance who receives outdoor relief would ordinarily be required to perform a task of work.

11. The discretion as to the form and amount of relief to be given in any case is practically in the hands of the Guardians. In determining whether destitution exists, and the extent and nature of the relief required, however, they are required by law to take into account, with certain statutory exceptions, all means available for the support of an applicant and his dependants. The granting of outdoor relief to the able-bodied is, moreover, subject to Regulations made by the Central Authority, but these Regulations contain a provision enabling the Guardians to exercise their own discretion in any particular case; during the present period of unemployment this discretion is being widely applied. The Central Authority is expressly prohibited from intervening for the purpose of ordering relief in any case.

Apart from the general powers of the Guardians to grant relief upon the review of an application, their officers have an independent power and duty to give immediate relief, either in kind or by admission to an institution, in any case of sudden and urgent necessity.

12. Like the English Poor Law system, the Scottish system provides for the relief of destitution out of local funds through Local Authorities popularly elected, with a wide discretion as to the nature and amount of relief to be given and working under the oversight of a Central Authority, the Scottish Board of Health. There are, however, certain differences in principle and in administrative machinery and practice between the two systems. Under the permanent provisions of the Scottish Poor Law, the qualification for relief is destitution coupled with disability to earn a livelihood, and until recently there has been no duty or power to grant relief to an able-bodied destitute person. Since 1921, however, special statutory provision of a temporary nature has been made to meet the prevailing emergency conditions, and relief may now be granted to destitute able-bodied persons if they are unable to obtain employment. The unit of administration in Scotland is still the single Parish, and the local Poor Law Authority is the Parish Council. Machinery is provided which enables applicants for relief to appeal against the decision of the Parish Council in certain cases to the Court or to the Central Authority.

Early Specialisation of Assistance Services.

13. The theory of a single authority competent to deal with any form of public need held the field, with few exceptions, until the early years of the present century. Such exceptions were to be found principally in the special provision made for lunatics, in the provision (largely of a preventive character) for the treatment of infectious diseases, in the organisation, as occasion required, of municipal relief works, and in the provision for the education of certain classes of defective children. A special Lunacy service grew up under a series of statutes starting in the early years of the 19th century, under which certain Local Authorities were charged with the duty of providing, out of local funds, special asylums for the reception of pauper lunatics, who were, however, to be maintained, and still are maintained (in England and Wales), at the cost of the Poor Law Authorities, assisted by an indirect grant from the National Exchequer.* A special service for the treatment and prevention of infectious diseases grew up in the latter half of the 19th century under a series of Public Health Acts, under which certain Local Authorities in England and Wales were empowered, and in Scotland charged virtually with a duty, to provide special

* In Scotland the costs of maintenance are shared between the District Boards of Control (see Appendix III, Chapter III, Section 6) and the Poor Law Authorities assisted by Exchequer grants.

hospitals for the reception of persons suffering from infectious diseases. This provision is now made on an extensive scale; The costs of establishing hospitals are borne entirely, and the costs of maintaining patients almost entirely, out of local rates.

Growth of Tendency towards Increased Specialisation of Services.

14. These exceptions to the theory of an omniscient Poor Law Authority were relatively limited in scope, and the financial burdens continued to fall in the main on local funds. The legislation out of which the present multiplicity of public assistance services really developed, and which led to the financial intervention of the State on a large scale, began to take shape in the early years of this century. A number of tendencies were working to bring about the change. With the increasing complexity of modern industrial life, demands for assistance from public funds were rapidly multiplying. Specialised treatment was being advocated for distress arising in particular contingencies, such as ill-health, involuntary unemployment and old age. The Poor Law Commission of 1905-09 itself made recommendations in this direction. Forms of provision for physical and mental infirmity or disease which had hitherto been regarded purely as matters within the sphere of individual responsibility were coming to be looked upon in the light of modern medical science as indispensable to the well-being of the community as a whole; and the view was gaining ground that the community should make itself responsible for the general provision, not merely of the bare necessities of existence, but of additional special services, irrespective of the means of the person for whom the services might be provided. Meanwhile the practice of Poor Law Authorities in making specialised provision for different classes of cases coming within their purview differed widely. The more advanced Authorities, with the tacit approval of public opinion, were setting standards of provision in this respect which other Authorities, moved by different principles or with more limited opportunities owing to the different character of their areas, would not or could not, follow. At the same time, in the public mind the "taint of pauperism," i.e., the admission of dependence involved by a resort to Poor Law relief, has more and more seemed to be a result of the source from which assistance has been received, rather than of the fact of dependence; and there has been a growing reluctance on the part of the Legislature to make use of Poor Law agencies or to invest them with fresh powers. In these conditions of opinion new systems of relief and assistance have been introduced expressly designed to escape association with the pauper taint, and the Poor Law instead of holding its former predominant position as practically the sole agency of public assistance has become largely an alternative and supplemental system concerned with the relief of those whose personal or family needs have not been completely met from other sources.

Lines of Development.

15. We have for convenience adopted a rough chronological basis in tracing the growth of the public assistance services during the present century. It is, however, of importance to appreciate that public action for the benefit of the individual has during this period been developing more or less independently along several different lines.

16. In the first place, there has been a series of measures primarily designed to provide, not for the granting of assistance in relief of physical want, but for the better promotion of the health and education of the community. To this class of measure are due the schemes of provision for tuberculosis and venereal disease (which are in effect extensions of the provision previously made for the treatment of infectious diseases at the public expense); the provision for maternity and child welfare; the provision of meals for school children; the school medical services; and the mental deficiency service. Inasmuch as these services do incidentally provide benefits which have a certain cash or economic value to the individual beneficiary under them, they have to be regarded as sharing to some extent the character of ordinary public assistance services. In general they are provided by Local Authorities with or without State aid on a discretionary basis, *i.e.*, Local Authorities may or may not institute them, and if they do so, they may or may not make provision under them in any particular case, and ordinarily the private individual has no right to benefit under them which he can enforce.

17. In the second place, a series of measures of wide application, the Old Age Pensions and the National Health and Unemployment Insurance Acts, have been adopted in order to meet specific risks—old age, blindness, sickness and unemployment. The schemes set up under these Acts differ in so far as the Old Age Pensions scheme is non-contributory, while the Insurance schemes are contributory, but it is true of all of them that under their permanent provisions prescribed benefits are granted as of right to all who satisfy definite qualifications.

18. In the third place, there is the large group of schemes involving recognition of liability for compensation for disablement or death in service or employment. This liability (recognition of which, so far as manual employment generally is concerned, was materially extended by the Workmen's Compensation Act, 1906, both for private and certain forms of public service) has been increasingly recognised in respect of service under public authorities. In particular, compensation for disablement or death through service in the armed forces of the Crown, has been substantially extended in recent years. We have not considered all the schemes by which either service or death or disablement through service is recognised, but have confined ourselves to the provision made in respect of service in the late war.

19. Finally, a variety of miscellaneous forms of assistance have been instituted to deal in special ways with needs arising out of industrial depression or occasioned by the circumstances of the Great War (otherwise than by money compensation), e.g., relief works; juvenile unemployment centres; industrial training for ex-service men and women; and emergency schemes have been built on to the permanent framework of the two Insurance schemes to meet special post-war needs.

Unemployed Workmen Act.

20. The new legislation may be regarded broadly as having started in 1905 with the Unemployed Workmen Act. This Act, which was permissive only, aimed at combining members of municipal, Poor Law and charitable bodies into a new and special Local Authority—a Distress Committee, whose duties were, first, to watch for the approach of unemployment in their district and, secondly, to provide help for unemployed workmen by assistance towards emigration and migration, by the provision of or by arrangements for temporary work and by the organisation of labour bureaux where local registers of employment were to be kept. Soon after the passing of the Act a number of Committees were formed in London and in provincial towns. Very few Committees are now in active existence and they have taken little or no part in the provision of relief work during the present industrial depression. The Act contemplated that expenses of Distress Committees would be met out of voluntary contributions supplemented to a limited extent from rates. Grants from State funds have, however, also been made from time to time.

Provision for necessitous Schoolchildren.

21. The Education (Provision of Meals) Act, 1906, and subsequent amendments, have empowered Local Education Authorities in England and Wales to provide, at their discretion, from public funds if necessary, subject to the general superintendence of a Central Authority (the Board of Education), meals for children in public elementary schools who for lack of food were unable to profit by the education provided for them. The scheme was in intention primarily of an educational character and designed to provide assistance, in the first place, for children of parents who from ignorance or incompetence failed, though financially able, to provide the necessary nourishment; in these cases it was contemplated that the parent should be required to repay the cost of the meals provided. Secondly, and only incidentally, the scheme dealt with children whose parents might be unable to bear the cost of the extra food necessary to enable them to benefit by the education provided. In practice, however, at the present time, the large majority of the children fed belong to the second class and their parents are, in a number

of cases, themselves in receipt of Poor Law relief. As a result the bulk of the expenditure under the service is met out of public funds and the amount recovered from the parents is relatively unimportant. Broadly one half of the approved expenditure of Local Education Authorities under the scheme is repaid by the State.

22. In Scotland provision for necessitous school children, similar in purpose to the provision made in England and Wales, was made under the Education (Scotland) Act, 1908. While, however, the English scheme of provision is permissive, the Local Education Authority in Scotland is legally bound to secure the proper care of children unable to profit by instruction through neglect or lack of food or clothing, and in certain circumstances must prosecute the parent or guardian guilty of the neglect. The Local Education Authority must make temporary provision for the child pending the prosecution, and if the parent or guardian is found to be unable, owing to poverty or ill-health, to make the necessary provision, and if no provision is likely to be made by a voluntary agency, the Education Authority must provide food and clothing so long as the child is bound to attend school. The cost of the service in Scotland is met from the ordinary subsidised education rate.

School Medical Services.

23. Concurrently with the development of the School Meals service, a School Medical service organised by Education Authorities was being developed under a number of statutes, the first of which was passed for England and Wales in 1907 and for Scotland in 1906. Local Education Authorities in England and Wales now have a duty to attend to the health and physical condition of children attending public elementary schools and they have also certain powers and duties in connection with the health of pupils in schools for higher education. They have a duty to recover the cost of medical treatment in whole or in part according to the capacity of the parents, but in practice the amounts recovered are small. A State grant is paid to Local Authorities on the same basis as in the case of the provision of meals. In Scotland, Local Education Authorities are invested with the same powers and duties as they possess in respect of food and clothing and under the same financial conditions. In both countries the cost of the medical inspection of school children is met out of public funds.

Old Age and Blind Pensions.

24. In 1908 the first Old Age Pensions Act was passed. This (with the amending Acts subsequently passed) provides for the grant from the National Exchequer of pensions on a non-contributory basis, to all British subjects, men and women, of the age of seventy and upwards, who are in needy circumstances and who satisfy certain statutory conditions. The actual amount

of the pension varies with the means of claimants, and is calculated in accordance with a scale prescribed by statute. The general superintendence of the scheme, which is national in scope, rests with the Treasury, who have delegated executive work to the Board of Customs and Excise. Claims to pension are investigated by officers of the Board and are determined in the first instance by Local Pension Committees specially appointed by certain Local Authorities. Appeals from the decisions of Committees are determined by the Minister of Health (in Scotland, the Scottish Board of Health). By the Blind Persons Act, 1920, the scheme has been extended, and a right to old age pension has been conferred on all blind persons of the age of fifty or over on the same conditions as those applying to persons of 70 and over under previous legislation. Under the same Act Local Authorities are empowered to make various forms of provision, largely educational in character, out of public funds for the assistance of the blind. The service is aided by a State grant.

Employment Exchanges.

25. In 1909 the Labour Exchanges Act was passed, based largely on the unanimous recommendations of the Royal Commission on the Poor Laws in favour of an employment exchange system. This Act marked the first step (apart from the sporadic provision of municipal relief works and the Unemployed Workmen Act, 1905) in the organisation of specialised public provision on account of unemployment. The principal object was to provide a means, through the establishment of local offices distributed widely throughout the country (now known as Employment Exchanges), for bringing together employers in need of workers and workers in need of employment, so as to fill vacancies as speedily as possible, and to decrease the period of waiting between jobs. The administration of the system rests with the Minister of Labour. The facilities afforded are provided free of charge both to employers and workers. Nearly the whole cost of administration is borne out of the fund formed under the Unemployment Insurance scheme (*see* paragraph 32 below); the remainder directly by the Exchequer.

National Health Insurance Scheme.

26. In 1911 the first National Insurance Act, which laid the foundation of the Health Insurance and Unemployment Insurance schemes, was passed.

The Health Insurance scheme was established under Part I of this Act. A number of amending statutes have since been passed, some of an emergency character, to meet the special circumstances arising out of the war and the post-war conditions, but the main features of the Health Insurance scheme remain to-day the same as at the commencement of the Act in July, 1912. The scheme applies uniformly throughout Great Britain and is compulsory and contributory in character.

Practically all employed persons between the ages of sixteen and seventy are within its scope and it is estimated that some fifteen million persons are now insured under it.

27. The main purpose of the scheme is the prevention and cure of sickness and the mitigation of distress arising out of incapacity to work through sickness. It provides the employed population generally with medical treatment and attendance, including drugs, and with a system of insurance against sickness and disablement, under which joint contributions are paid during periods of employment by employer and worker, and the worker in return receives as of right during periods of incapacity, benefits in the form of cash payments and medical attention. There is also a payment, called maternity benefit, on the confinement of an insured woman or the wife of an insured man. The cost of the benefits provided is met partly out of the funds formed by the contributions of employers and workers and partly by the State in fixed proportions. The extent of the benefits provided has been determined actuarially on the basis of the amounts paid in contributions and of the share in costs borne by the State. The cash benefits provided are not designed to provide for the complete maintenance of the sick worker, but rather to supplement the efforts of private thrift in mitigating the effects of enforced abstention from work through sickness.

28. The general qualification for receipt of the cash benefits provided under the scheme (other than maternity benefit) is incapacity to work owing to sickness, duly certified by a medical practitioner. Actual entitlement to cash benefits and the amount of the benefits payable under the permanent provisions of the scheme depend on the payment by and on behalf of the insured person of a certain number of contributions, fixed under statute. The weekly amount of the cash benefits payable is reduced if the insured person falls into arrears in the payment of contributions, and continued failure to pay contributions eventually involves the forfeiture of all insurance rights. During the present abnormal period of unemployment, however, special provision has been made for securing certain minimum cash benefits to persons who have fallen into arrears in the payment of contributions owing to genuine inability to obtain work.

29. The Minister of Health in England and Wales, and the Scottish Board of Health in Scotland, are generally responsible for the administration of the scheme. Local administration of cash benefits is, with unimportant exceptions, in the hands of "Approved Societies," voluntary provident organisations which have become approved for the purpose of undertaking State insurance business. The local administration of medical benefits (and of cash benefits for certain small groups of persons who are not members of Approved Societies) is decentralised to specially appointed Insurance Committees representative of local insured persons, Local Authorities, local doctors and the

Central Authority, for each County and County Borough area (in Scotland for each County and for each Burgh having a population of 20,000 or over).

Treatment of Tuberculosis.

30. A national scheme for the treatment of tuberculosis* was originally linked up with the Health Insurance scheme, but subsequently developed into a separate service. Its object is to place at the disposal of persons suffering from tuberculosis special facilities for consultation, diagnosis and treatment in the general interests of the health and welfare of the community. It provides mainly out-patient or dispensary treatment, and in-patient or residential treatment in hospitals and sanatoria. The provision of the necessary arrangements for treatment in England and Wales is a duty laid by statute upon certain Local Authorities (principally County Councils and County Borough Councils) under the general superintendence of the Minister of Health. In Scotland, Local Authorities working under the superintendence of the Scottish Board of Health have accepted the view that tuberculosis being an infectious disease, their general obligations in regard to the treatment and control of infectious diseases extend also to the provision of treatment for tuberculosis. The cost of the service is borne out of public funds with the exception that contributions towards the cost of residential treatment (in England and Wales only) may be, and are in some cases, required from patients who are in a position to pay. Rather more than half of the expenditure on the service is met by Exchequer grants.

Unemployment Insurance Scheme.

31. Part II of the National Insurance Act, 1911, inaugurated the State system of Unemployment Insurance. The system has been developed by numerous subsequent enactments, in particular by the Unemployment Insurance Act, 1920 (which extended the relatively limited application of the system under previous statutes to industry generally), and by emergency legislation passed to meet the abnormal conditions created by the post-war depression.

32. In its main features the scheme is similar to the Health Insurance scheme. It is compulsory and contributory in character and extends uniformly throughout Great Britain. With certain exceptions, the most important of which are persons employed in agriculture and private domestic service, it covers all employed persons of the age of 16 and over (but without upper limit of age) and includes some 12 million persons. Its object is to provide workers in industry with an insurance

* Exceptionally in a very few cases, some special provision for the treatment of tuberculosis had been made by Local Authorities in England and Wales under the Public Health Act, 1875. In Scotland a certain measure of progress had also been made under the Public Health Acts, 1897 to 1907.

system under which, while the worker is in employment, contributions are paid jointly by the worker, the employer, and the State into a central Unemployment Fund, and during periods of unemployment, insured workers receive from the Fund, as of right under the permanent provisions, benefits in the form of weekly cash payments. Additional benefits are also paid to an unemployed worker in respect of certain classes of dependants.

33. Under the permanent provisions of the scheme, the extent of the benefits payable is determined actuarially on the basis of the amounts contributed by the three parties to the scheme; in particular, the number of weekly payments of benefit to an individual is governed strictly by the number of contributions paid in his name. The coming into operation of the Act of 1920 was, however, practically coincident with the onset of the industrial depression and the greater part of the insured population had, therefore, no opportunity of qualifying by the payment of contributions for the receipt of benefits under the Act. In these circumstances, while the principle of a contributory insurance system has been kept alive, it has been necessary to modify the provisions of the permanent scheme under which benefit is drawn as of right by virtue of contributions (covenanted benefit), and to permit the payment of benefit as a grant (uncovenanted benefit) subject to a discretion vested in the Minister of Labour, to unemployed persons who are normally wage earners in insured trades and are genuinely seeking whole-time employment, but who are not qualified for receipt of benefit by virtue of past contributions. The emergency measures have exhausted the reserves accumulated since 1911 under the original scheme, and have involved a substantial increase in the contributions paid by the three parties to the scheme and the advance of funds on loan from the Exchequer.

34. Benefits under the scheme, like the cash benefits under the Health Insurance scheme, have not been designed to cover all the responsibilities of the unemployed person in all circumstances, but rather to supplement private effort in mitigating distress due to involuntary unemployment.

35. The general qualification for receipt of benefits (apart from conditions as to payment of contributions) is unemployment due to genuine inability to find suitable work, combined with capacity to perform work if available. Unemployment due to misconduct or to a trade dispute carries with it a suspension of benefit, though the refusal of an offer of work if the vacancy is due to a trade dispute or if the available employment is unsuitable does not disqualify. Receipt of sickness or disablement benefit under the Health Insurance scheme or of a State old age pension disqualifies for the receipt of unemployment benefit.

36. The Minister of Labour is responsible for the administration of the scheme throughout Great Britain, and in particular for the control and management of the Unemployment Fund.

Local administration is carried out, in the main, through the Employment Exchange system, but arrangements have also been made under which a number of voluntary associations, principally Trade Unions, have undertaken certain administrative responsibilities, and under an Act of 1923 Local Education Authorities may, subject to certain conditions, undertake administrative responsibilities in respect of juveniles. Special machinery is provided for the determination of claims to benefit including, for the determination on appeal of claims under the permanent provisions of the scheme, Courts of Referees, consisting of an independent Chairman appointed by the Minister and representatives of employers and workers, and an Umpire, an independent judicial authority appointed directly by the Crown. In dealing with claims to benefit under the emergency provisions extensive use is made of the voluntary Local Employment Committees appointed by the Minister to act in an advisory capacity on matters affecting employment in the area of each Exchange.

Relief Works.

37. The Unemployment Insurance scheme is now the foundation of the specialised public provision on account of unemployment. Other forms of provision of an emergency character have, however, been made during the prolonged trade depression. As in the past, relief works have been undertaken by Local Authorities without State aid. The works undertaken under these conditions have, however, been of relatively small extent, and the main provision of this nature has been made as a result of the intervention of the Central Government with an offer of financial assistance to Local Authorities to enable them to put in hand works of public utility. The State grants, which are paid on a number of different bases, are administered through the Departments concerned in the works undertaken, principally the Ministry of Transport, the Ministry of Agriculture (in Scotland, the Board of Agriculture) and the Forestry Commission, or through an independent Committee, the Unemployment Grants Committee, acting in close association with the Government Departments concerned.

Juvenile Unemployment Centres.

38. Another form of provision has been the establishment of instructional and recreational centres for unemployed juveniles, with the object of preventing deterioration in character through prolonged idleness. Such Centres, established for the first time during the winter of 1918-19, were revived during the winter of 1922-23 and have been revived once more during the winter of 1923-24. The organisation of the Centres is in the hands of Local Education Authorities, subject to the general approval of the Minister of Labour and Board of Education (in Scotland the Scottish Education Department). Three-quarters of the expenditure of Local Education Authorities on the Centres is repaid by the State.

Training of Unemployed Women.

39. State assistance has been given to the Central Committee on Women's Training and Employment to assist them in providing training for unemployed women who have undertaken to take up employment in resident domestic service.

Mental Deficiency Service.

40. Until 1913 specialised provision for mental infirmity was practically confined to provision for lunacy and to the provision, mainly educational in character, made for defective children by Local Education Authorities. Under legislation passed in 1913 for England and Wales and in 1914 for Scotland, a specialised Mental Deficiency service was instituted. Certain Local Authorities now have a duty, subject to the receipt of State aid, to provide for the care of certain classes of defectives in their areas either in special institutions or by placing them under guardianship. Contributions towards the cost of care and maintenance are obtained from patients' relatives where possible, but in practice the financial burden of the service falls mainly on public funds. In the abnormal circumstances which have prevailed since the service was first organised, the State grant has been strictly limited, and in consequence the service is still restricted in its operation to dealing with what are regarded as urgent cases.

Treatment of Venereal Disease.

41. In 1916 a national scheme for the treatment of venereal disease was inaugurated under the Public Health Acts. The provision made under the scheme consists principally of free treatment for persons affected with venereal disease; special laboratory facilities for medical practitioners; and the free supply to qualified practitioners of certain drugs. The treatment is provided at clinics established at hospitals and elsewhere, and consists largely of out-patient treatment. The operation of the scheme is entrusted to Local Authorities, who have a duty to provide facilities under the scheme. The cost is borne entirely by public funds, approximately three-quarters of the expenditure of the Local Authorities being repaid to them in the form of a State grant.

Maternity and Child Welfare Service.

42. In 1918, the Maternity and Child Welfare Act was passed. Under this Act* in England and Wales, and under powers conferred by a previous Act of 1915 in Scotland (but little used before 1918), schemes have been put into operation by Local Authorities under which educational and preventive work in the interests of the health of expectant and nursing mothers and

* Some provision of the same nature had been made by a few Local Authorities entirely at their own expense under powers conferred by previous legislation.

young children is undertaken at the cost of public or voluntary funds, and assistance in kind is given to individuals, the cost of which is met wholly or partly from the same sources, where the individuals are themselves unable to defray the cost.

43. The initial institution of arrangements, and the extent of the provision made, are in the discretion of Local Authorities and there are, therefore, wide variations in the application of the Acts in different localities. Approximately half the public expenditure on the service is met out of Exchequer grants and half out of local rates. Administrative responsibility is shared between Central Authorities (Ministry of Health in England and Wales and Scottish Board of Health in Scotland), who exercise a general control, and Local Authorities, who through special committees control detailed local administration.

War Service Compensation Scheme.

44. Provision out of public funds for pension on the termination, whether by disablement or by age, of service in the public employ, is a practice of long standing both in State and municipal administration. It is perhaps open to doubt whether in general this form of expenditure on the individual out of public funds comes within the terms of reference of this Committee. But in view of the exceptional arrangements made in respect of compensation for men disabled by service in the late war, of the special assistance provided for other ex-service men, and of the very large proportion of the population beneficially affected by these arrangements, we have thought it desirable to refer to the subject.

45. Compensation for disablement sustained during service in the armed forces of the Crown, which has been recognised for the past three centuries at least, was, prior to the late war, administered by the Service Departments on scales approximating to those devised for recognition by way of pension for length of service. But the special circumstances of the late war, involving as they did a national man power levy on an unprecedented scale, and enrolment by compulsion of more than half the men who formed the armed forces of the Crown at the time of the Armistice, compelled a revision of the terms and scales of the existing schemes of compensation for disablement or death in consequence of service in the late war; and, for their administration, a special Department of State—the Ministry of Pensions—was constituted. With the Armistice, and the demobilisation of the forces, the State recognised a claim for assistance towards resettlement on the part of other ex-service men. Ultimately, assistance for ex-service men, disabled and other, came to be provided by a number of public Departments—the Ministries of Labour, Health and Agriculture, and the Board of Education, and corresponding Scottish Departments.

46. The scheme of compensation has aimed at giving—

- (a) cash compensation in the form of pension (for all disabilities assessed as involving a degree of disablement

of 20 per cent or more, up to total disablement), or a gratuity or terminable allowance (for disabilities of a minor character, assessed as involving a degree of disablement of less than 20 per cent.) ; cash compensation in the form of pension for widows and dependants of men dying as a result of war service, and small compassionate allowances of various kinds to other classes ;

- (b) medical and surgical treatment for disabled men, together with special allowances, additional to the pension, during periods of enforced abstinence from work in consequence of prescribed treatment ;
- (c) vocational re-education for disabled men whose war disablement precluded their return to their normal occupations, and for other men whose apprenticeship had been interrupted by war service, and monetary assistance to enable men to start in business on their own.

Pensions and Allowances.

47. The classes of beneficiary affected by that portion of the State compensation scheme referred to under (a) and (b) in the preceding paragraph, are men who have suffered disablement in war service, and the widows and other dependants of men who have been killed or have died in consequence of their service. The basis of compensation for disablement is, in the main, a medical estimate of the extent to which the man has suffered loss of physical or mental capacity, but without reference to his earning capacity in any particular occupation. In addition, the State accepts liability for the payment of allowances (proportionate to the man's pension) towards the maintenance of the wife and children of the disabled pensioner, where the obligation of marriage had been entered into by him prior to the sustenance of the injury, or the contraction of any other disability in respect of which compensation is due. The extent of the man's disablement is medically reviewed from time to time (usually at intervals of a year) until a final settlement (or final award) can be made under the provisions of the War Pensions Act, 1921. All claims for disablement must be made within seven years, at latest, of the official date of the termination of the war, and it is estimated that already the bulk of claims have been dealt with and final awards made in respect of them. In the case of a widow (whose claim to compensation rests broadly on the same basis as the wife's claim to maintenance allowance in respect of her husband's disablement), any pension awarded in the event of the death of her husband from a disease or injury due to war service, is, according to the circumstances of the case, either at the rate of one-half or two-thirds of the maximum rate of pension which would have been available to her husband had he been totally disabled by war service or at a proportion of the pension which he was receiving at his death. Other dependants of a deceased man dying of a war disablement are compensated on a modified scale of pension, which is determined by reference to the extent of their need.

48. Beside the pensions and other grants administered under the provisions of the Royal Pensions Warrants and Orders by the Ministry of Pensions, small compassionate grants are made in specified classes of cases of hardship by an independent body appointed by the Minister of Pensions, the Special Grants Committee.

Treatment and Training.

49. On the health side, extensive provision has been made for medical, surgical and convalescent treatment which may be required by the disabled on account of their war service disabilities, while special arrangements have been made for the treatment and care of service patients requiring assistance under the tuberculosis and lunacy services. Special allowances are payable to the men and their families during treatment under conditions laid down in the Royal Warrants and Orders.

50. Vocational re-education for disabled men has also been provided on an extensive scale. For such men as can commence training while still under medical care, the Ministry of Pensions make provision in convalescent centres. For other cases of disablement, industrial training is provided by the Ministry of Labour in a great variety of occupations, mainly of a manual nature, in Government instructional workshops, institutions and private workshops. During training maintenance grants are paid, supplemented in appropriate cases by allowances for travelling and certain other purposes.

51. Other forms of training have also been provided for men not necessarily disabled. These include grants to assist men whose apprenticeships were interrupted by service in the forces under a scheme administered by the Minister of Labour, with the object of enabling men to complete their industrial training at a remuneration commensurate with their age, new status, and responsibilities in life after war service; professional or business training, advanced agricultural training, and educational training. Training in a large variety of women's occupations has been given to widows of deceased men in needy circumstances, and to disabled nurses.

Employment and Resettlement.

52. Various forms of direct assistance have, in addition, been given to ex-service men generally, and to disabled men in particular, in obtaining employment. Ex-service applicants generally are given a preference over non-service applicants when applying for work at Employment Exchanges, and, in the recruitment of labour for work on State-aided relief works, by virtue of a requirement that a high percentage of ex-service men must be employed on such works. The provision for disabled men includes special arrangements for dealing with disabled applicants for work at Employment Exchanges, and the maintenance

of a special register of the severely disabled; a voluntary scheme for encouraging the employment of disabled men on a percentage basis by employers enrolled on a national roll, known as the King's Roll; grants from public funds in aid of institutions established and maintained mainly by voluntary effort with the object of giving employment to very severely disabled men; and finally, grants from public funds administered by the Ministry of Labour, to enable individual disabled men who are suffering serious financial hardship on account of their war service and are prevented by their disablement from resuming their pre-war occupation, or from obtaining suitable employment, to set up in new occupations either as employees or on their own account.

PART III.—REVIEW OF PUBLIC ASSISTANCE SERVICES—"GAPS."

53. It will be seen that the services are of the most diverse character and that they cover a wide range of needs. Through them the community has undertaken (1) to provide in the interests of general public health and welfare, free treatment and care for persons affected by certain forms of sickness and infirmity; (2) to assist in the maintenance of the aged who are in needy circumstances; (3) to watch specially over the welfare of school children and of nursing mothers and their infants; (4) to assist by cash payments in meeting the risks of sickness and unemployment among the employed population; (5) to assist in the relief of distress due to unemployment by measures designed to encourage the initiation of works of public utility for the purpose of providing employment in times of severe industrial depression; (6) to compensate those who have suffered disablement and the bereaved dependants of those who have lost their lives through war service according to the measure of their loss; and (7) to provide, through the Poor Law, for each and all of its members a last resort against the final extreme of want. Beyond this, however, the services do not extend and it is clear that, while the community has recognised the need of public provision for special forms of sickness and distress and a duty to relieve destitution, it has not recognised any obligation to provide for the maintenance of any individual in all circumstances at a standard of well-being comparable with that obtainable by the independent worker through his own efforts.

54. Not only, however, is there no recognition in the statutory basis of the schemes of any right on the part of individuals to maintenance at the public expense at a uniform standard of well-being in all circumstances, but as indicated above (paragraph 6) the various schemes as they stand to-day have grown up piecemeal in a long period of years and plainly bear the marks of their historical development. This development strikingly illustrates the process of specialisation which is the natural

concomitant of the increasing complexity of civilised life and the difficulties which attend the introduction of specialised methods. The various services have for the most part been instituted at different times and have developed on a number of independent lines. They have been designed to provide for special contingencies as the need or demand for them became apparent, frequently by different methods and in different measure; different principles have entered into the conception of services providing for closely related forms of need, and different forms of administrative machinery have been set up for services broadly similar in purpose. Moreover, a new scheme of assistance for a particular form of need has normally been introduced with regard only to the special or technical requirements of persons affected by that need and even if, as is rarely the case, the new scheme is so widely applied as to meet completely the wants of all its individual beneficiaries, it ignores, and must ignore, cases which are outside its own prescribed limits. The position is further complicated by the diverse forms and extent of the discretion possessed under statute by many of the Local Authorities to whom the administration of specialised forms of assistance has been entrusted. In the legitimate exercise of this discretion assistance which may be granted freely in one area, may, in a neighbouring area, under a different Authority, be withheld or granted in different measure.

55. In these circumstances there are naturally cases in which the needs of a given individual or that of his family may not be fully met under the specialised schemes or in which an individual may fall altogether outside the scope of these schemes, and in either of these cases the individual must resort, if destitute, to the Poor Law. Such cases, however, could only be regarded as anomalies if the specialised services were to be thought of as forming (without the Poor Law) a complete and co-ordinated system. They are not "gaps" remediable by executive or administrative action.

Limitations of certain specialised Schemes.

56. We have had submitted to us a number of cases purporting to show the existence of "gaps" in and between various schemes of assistance due to defects in administrative arrangements. Upon investigation, however, a large majority of these have proved to be in fact cases in which assistance under specialised schemes has been withheld, or granted only in limited measure as a result of the limitations placed by statute upon the operation of the several schemes. We consider that the apprehension of the true nature of these "gaps," if they can be described as such, is of such importance for a proper understanding of the problem before us that we propose to deal broadly with three groups of cases (the majority of the cases submitted to us) which illustrate the position of the three great specialised schemes, the Health Insurance, Unemployment Insurance and War Service Compensation schemes (*see generally* Appendix III, Chapters III, IV and

VI). All these schemes have certain features in common, they are limited in their scope to specific sections of the population, and the provision made under all of them is limited to specific objects—to insurance against certain risks and to compensation for certain forms of disablement and for death. Each scheme, moreover, only undertakes to provide against the risks which it is designed to cover, in definite and limited measure, for the most part laid down directly by statute or in statutory regulations, warrants and orders.

(A) *National Health Insurance Scheme.*

57. The first group of cases concerns the National Health Insurance scheme. Under this scheme the employed population generally is insured against the risk of loss of capacity to follow a remunerative occupation due to sickness or specific bodily or mental disablement. The scheme is subject to the natural limitations of its character and is designed primarily for the benefit of those who, when in good health, can be expected to contribute to its funds and not for the relief of destitution as such. Rights to benefit under the scheme can therefore only be retained by insured persons through the fulfilment of definite obligations, and failure to pay contributions involves reductions in benefit and eventually total loss of rights. These obligations have been considerably lightened by emergency provisions during the present industrial depression (*see* Appendix III, Chapter III, Section 1, Paragraph 9); the contributory principle has, however, been maintained and the permanent scope and objects of the scheme preserved. The payment of benefit to any person under the emergency provisions depends on reasonably satisfactory proof that that person is normally an employed person insurable under the scheme, who has fallen into arrears in the payment of contributions by reason of genuine inability to obtain work, and failure to satisfy these conditions still does, and must, if the essential character of the scheme is to be preserved, operate to bring about a loss of rights under the scheme. Moreover, it has been found impracticable under the scheme to undertake to pay full cash benefits to ex-service men who are in receipt of pension or allowances at the highest rates, because the liability in respect of such men is outside the normal insurance risk, and ordinary benefits cannot be paid unless and until such men have proved, by a reasonable period of ordinary work, that they have resumed the position of persons in civil employment. (*See* Appendix III, Chapter III, Section 1, Paragraph 7 (c).)

58. The cases submitted to us relating to the National Health Insurance scheme have been in the main cases illustrating the effect of the operation of the scheme within its own statutory limits. Thus, in the first place, we have had cited to us as "gaps," cases in which the insurance rights of an ex-service man had lapsed by reason of the fact that for a year or more after discharge he had had no insurable employment at all, though not incapable of work from the point of view of the Health Insurance

scheme, and had not been able to satisfy the modified contribution conditions necessary for continuance in insurance under the emergency provisions (*see* Appendix III, Chapter III, Section 1, paragraph 9); in the second place, cases where Health Insurance benefits had been reduced, owing to arrears of contributions, to the minimum amount payable (*see* Appendix III, Chapter III, Section 1, paragraphs 7 (c) and 9 (c)); and finally, cases in which no disablement benefit was payable owing to receipt of 100 per cent. war pension or of treatment allowances by a man who had not qualified for the receipt of benefits at the full rates by the requisite period of insurable employment and the payment of requisite number of contributions after discharge from the forces. In so far as these are cases of "gaps" at all, they are, as has been explained, "gaps" of statutory origin and in large part inherent in the nature of a specialised contributory insurance scheme.

(B) *Unemployment Insurance Scheme.*

59. The second group of cases relates to the Unemployment Insurance scheme. Under this scheme the employed population, with certain exceptions, notably persons employed in agriculture and private domestic service, is compulsorily insured against the risk of involuntary loss of employment, other than that due to physical or mental incapacity. Like the Health Insurance scheme, the Unemployment Insurance scheme is founded on the contributory principle, and so far as its permanent provisions are concerned it assures definite benefits to insured persons on the establishment of definite statutory qualifications. As is natural, therefore, the permanent basis of the scheme provides for the maintenance of a strict relationship between contributions and benefits.

60. Under the emergency scheme which has been developed since the spring of 1921, however (*see* Appendix III, Chapter IV, Section 2, paragraph 8), the strict contributory principle has been relaxed, and this relaxation appears to have created widespread misapprehension as to the purpose and objects of the scheme as a whole. In fact, the emergency scheme has not in any way extended the scope of the permanent scheme so as to apply to a new section of the community; it is designed to apply to the persons who in normal times would be covered by the permanent scheme (*i.e.*, those who would themselves be in employment and be contributing to the fund from which benefits are paid), and, in respect of these persons, to cover the same risks as those covered by the permanent scheme. Moreover, although there has been a temporary departure from the principle that benefits must be strictly proportioned to contributions, the principle has not been lost sight of and a return to it is contemplated, we understand, at the earliest possible date. The essentially limited scope and character of the emergency scheme is clearly apparent upon an examination of its statutory framework. (*See* Appendix III, Chapter IV,

Section 2, paragraph 8.) The relaxation of the contribution conditions of the permanent scheme might, unless special safeguards had been created, have resulted in the admission to benefits of many persons who could in no circumstances have been entitled to benefit under the permanent scheme and in the payment of benefit in a manner prejudicial to the interests of actual contributors to the fund from which the benefits are paid. The necessary safeguards were created by Parliament. In the first place the grant of uncovenanted benefit has been made subject to a discretion vested in the Minister of Labour and only to be exercised in order to sanction the grant of benefit when he considers a grant to be expedient in the public interest. Further, a strict employment qualification has been substituted for the suspended contribution qualification, in the requirement that applicants for benefit under the emergency provisions must show that they are normally engaged in insurable work, that they are genuinely making every effort to obtain whole-time employment, and that they have either paid a minimum number of contributions or have a satisfactory record of employment since the end of 1919.

61. It may be noted here that, by the requirement that a person must be seeking "whole-time" employment, i.e., employment which occupies all the ordinary working hours of the week, the statutory application of uncovenanted benefit is in one sense narrower than that of benefit under the permanent scheme. Moreover, the Minister of Labour in the exercise of his discretionary power has decided that uncovenanted benefit is not to be paid, even where the additional statutory conditions might otherwise be satisfied, to certain classes of persons, the most important class being young single persons living with parents or relatives to whom they can reasonably look for support during unemployment (*see* Appendix III, Chapter IV, Section 2, paragraph 8 (c)); in such cases benefit may, however, be paid where deprivation would inflict real hardship. The Minister has exercised the discretion conferred upon him in this way with the object of confining the grant of uncovenanted benefit in the public interest to those persons most in need of assistance, thus conserving the resources of the Unemployment Fund at a time of severe financial strain. The Fund from which all benefits are paid is still, it must be remembered, the Unemployment Fund formed by the contributions of the three parties to the scheme, and in order to make possible the payment of benefits to persons who have no credit of contributions, increased contributions have been required from present contributors to the Fund, while a temporary loan has been obtained from the Exchequer.

62. By its statutory basis uncovenanted benefit is not a form of compassionate grant available for the relief of distress due to unemployment in any and every circumstance. Throughout all the arrangements for the adaptation of the permanent scheme to emergency conditions there runs a clear recognition of the fact that the Unemployment Fund is not a relief fund, but a fund

made up of the contributions of the parties to the scheme to be administered strictly for the benefit of those who have contributed to it, or are likely to contribute to it in the future, and among the latter, only for persons in whose case a grant is in the public interest.

63. We have had submitted to us two main types of cases relating to the Unemployment Insurance scheme. The first type of case has been that in which an applicant for uncovenanted benefit has not been able to satisfy the statutory conditions of entitlement, particularly the condition that he must be genuinely seeking whole-time employment. In certain of these cases it has been urged that hardship was caused by the withholding of a grant. This may or may not have been the case, but if an applicant cannot satisfy the necessary statutory conditions the plea of hardship by itself is irrelevant. The scheme only accepts risks under express conditions, and the admission of the plea of hardship as a general ground of grant would result in the obliteration of the definite statutory boundaries within which the scheme is working. The second type of case has been that in which benefit has been withheld from applicants of the classes affected by the Minister's decisions limiting the payment of uncovenanted benefit, notably young single persons living with parents or relatives. As indicated above, however, the Minister in placing limitations upon the payment of uncovenanted benefit has exercised a discretion deliberately conferred on him by Parliament for use in the public interest. In our view, in so far as "gaps" in provision may exist at these points, they are not due to administrative failure, but are "gaps" implicit in the policy in accordance with which the emergency scheme of Unemployment Insurance has been framed with the sanction of Parliament.

(C) War Service Compensation Scheme.

64. The third group of cases relates to the War Service Compensation scheme, including treatment and training for ex-service men. Through this scheme the State has undertaken to compensate persons who have suffered disablement or loss through the death of a bread winner in war service and to carry out certain functions in respect of the health and occupational training of disabled and other ex-service men. The amount of the compensation awarded and the nature and extent of the treatment and training given, though legally discretionary, are in fact determined in accordance with certain broad principles which from time to time have received the sanction of Parliament, either explicitly in Royal Warrants or implicitly by the provision of the funds necessary to meet the obligations undertaken by the State.

65. In accordance with these principles the liability which the State has undertaken is definitely limited. The State has not undertaken completely to maintain every man disabled

in greater or less degree in war service, who on discharge may for any reason be unable to find a remunerative occupation, nor, in general, has it undertaken to make good loss of industrial earning capacity in any specific occupation, nor again, has it accepted responsibility where a man, after being disabled, assumes fresh liabilities for dependency, *e.g.*, by marriage. In short, the provision made under the scheme is not designed to cover—and necessarily cannot cover—all the wants of any given individual (and his family) in all circumstances. Similarly the treatment provided is primarily specialist treatment and is ordinarily continued only for so long as there is a reasonable prospect that it may improve the disabled man's physical or mental condition or prevent its deterioration, and ceases when this prospect no longer exists; while industrial training is only continued for so long as the disabled man can be expected really to be acquiring additional skill in his new occupation.

66. The cases affecting the War Service Compensation schemes which we have had submitted to us have been largely of the same nature as the cases submitted to us relating to the Health and Unemployment Insurance schemes. Thus we have had cited to us as "gaps", cases in which a man with a small degree of disablement due to war service—under 20 per cent.—has been awarded a final weekly allowance or gratuity, while his general physical condition, owing to congenital weakness or to a disease contracted independently of war service, has been such that he has been unable to obtain employment after discharge; cases in which exception has been taken to the basis upon which pension has been assessed; cases in which it has been suggested to us that injustice has been done where disabled men have been discharged from hospital when the medical authorities concerned were satisfied that continued treatment in hospital would serve no useful purpose. These if they are "gaps" at all are such as could only be closed by a fundamental revision of the principles underlying the War Service Compensation scheme.

Summary.

67. As a result of the restricted scope of the specialised schemes and of the limited liability undertaken by them, there are undoubtedly cases, illustrated in the preceding paragraphs, in which the full needs of an individual may not be covered by them, or in which indeed no claim under a specialised scheme may be admissible. The existence of such cases appears to have been made the basis of allegations of serious failure of administrative co-ordination. It is, however, clear that even if such cases can be described as "gaps" at all, and we think the general application of such a term highly misleading, they are in the main "gaps" of statutory or quasi-statutory origin, such as could only be bridged by a revision of the statutory basis upon which the services are founded, or by a reconsideration of the principles of administration which have hitherto been followed.

with the sanction of Parliament. While an inquiry into the possibility or desirability of the closer statutory co-ordination of the assistance services of the country is, we think, a task which must sooner or later be undertaken, we do not consider it to be a subject of enquiry within our reference. We can only point out that the general national provision of the Poor Law is still available for the relief of those who wholly or in part remain without special or separate provision, and that in this sense, at any rate, there are no "gaps" in the country's system.

68. We are satisfied as a result of our survey that the possibilities of closer administrative co-ordination from the point of view of the elimination of "gaps" are strictly limited. We have, however, discovered a certain number of cases which reveal the possibility of failure of administrative co-ordination, or what may appear to be such failure. Upon the evidence which we have had before us we are satisfied that such cases are neither of frequent occurrence nor of far-reaching effect in their incidence. With these cases we now propose to deal.

EXAMINATION OF SPECIFIC CASES.

MEDICAL STANDARDS UNDER THE HEALTH INSURANCE AND UNEMPLOYMENT INSURANCE SCHEMES.

69. It has been alleged that different medical standards have been adopted in determining physical and mental capacity under the Health and Unemployment Insurance schemes, respectively; that payment of health insurance benefit has been withheld from persons on the ground that they are not incapable of work, while the grant of unemployment benefit has been refused to the same persons on the ground that they are not capable of work; and that in consequence such persons have been deprived of benefits under both schemes at a time when the statutes clearly contemplated that provision would be made for them under one or other of the schemes.

(A) *Claims to unemployment benefit involving the interpretation of the general statutory condition that an applicant must be "capable of work."*

70. It is a statutory condition of eligibility for cash benefits under the Health Insurance scheme that an insured person must be "rendered incapable of work by some specific disease or by bodily or mental disablement"; and for receipt of benefit under the Unemployment Insurance scheme, that an insured person must be "capable of work," (see generally Appendix III, Chapter III (Section 1) and Chapter IV (Section 2)).

71. In the course of the administration of the Health Insurance scheme, an insured person has been regarded as incapable of work, when he is in such a condition, through some

specific disease or bodily or mental disablement, that an attempt to work would be seriously prejudicial to his health, and also when he is unable to follow his ordinary occupation owing to an illness, which, though perhaps not totally disabling him from work of every kind, is likely to be of short duration only, and when it would be unreasonable to expect him to undertake any other form of work in the meantime. Where it is clear that a person has become permanently incapacitated from resuming his ordinary occupation, the normal criterion of incapacity is inability to perform any other suitable kind of remunerative work and a person would not normally be certified as "incapable of work" in such cases unless, in the doctor's opinion, he was physically unable to perform any other suitable kind of remunerative work. In the course of the administration of the Unemployment Insurance scheme a person has been regarded as "capable of work" so long as he is capable of performing some remunerative work of a kind which there is reasonable probability of his obtaining; it has not been regarded as essential that he should be capable of undertaking work forming part of his normal occupation.

72. While we recognise that a final decision on the question of capacity or incapacity to work must, for the purposes of each scheme, rest with the authorities charged by statute with the duty of determining questions (an independent referee under the Health Insurance scheme and the Umpire under the Unemployment Insurance scheme) it appears to us that both in statutory provision and administrative practice the frontiers of the schemes in this respect march so closely with one another that there is little risk of any widespread occurrence of "gaps" of the nature indicated in the allegations made to us. (See however paragraphs 78 and 81 below.) We have had great difficulty in obtaining actual cases bearing on the allegations but we have had some evidence before us showing that such "gaps" do occasionally arise.

73. When payment of health insurance benefit to an insured person is stopped on the ground that he is no longer incapable of work, the medical opinion given for health insurance purposes is normally accepted as evidence of capacity for work under the Unemployment Insurance scheme. Where doubt arises, Courts of Referees are empowered to refer a claimant for examination to a medical referee, usually the post office doctor for the district, whose certificate would be taken into account in any decision reached by the Court and subsequently by the Umpire, if the case were referred to him. Cases are normally referred to the medical referee only where there is no clear medical evidence as to a claimant's physical condition and only in very exceptional circumstances would cases in which a medical opinion had already been given under the Health Insurance scheme be referred to the medical referee. In such cases, however, a conflict of medical opinion might arise. In order to provide against this possibility,

we think that it is desirable that there should be some medical referee whose opinion as to physical or mental capacity to work would be accepted as authoritative by the authorities administering both the Health and Unemployment Insurance schemes. We think that the Regional Medical Officers of the Ministry of Health and the District Medical Officers of the Scottish Board of Health are the authorities best fitted to carry out this function. Their opinion would, we believe, be normally accepted as final so far as physical or mental capacity is concerned by Approved Societies under the Health Insurance scheme and by Insurance Officers, Courts of Referees and the Umpire under the Unemployment Insurance scheme.

74. We suggest accordingly that when doubt arises whether an applicant for unemployment benefit, who has been declared to be no longer incapable of work by an Insurance Doctor under the Health Insurance scheme, is capable of work under the Unemployment Insurance scheme, the Insurance Officer or the Court of Referees should refer the claimant for medical examination to a medical referee selected by the Ministry of Labour (normally the post office doctor of the district); if the opinion of this medical referee conflicts with the opinion of the Insurance Doctor we think that the case should be referred by the Insurance Officer or Court of Referees to the Regional Medical Officer of the Ministry of Health or District Medical Officer of the Scottish Board of Health, whose opinion as to physical or mental capacity should be accepted, so far as possible, as binding under both schemes. Where, as is sometimes the case, the Regional Medical Officer has already expressed an opinion before an application for unemployment benefit is made, we think that his opinion should, so far as possible, be accepted as binding. A similar procedure would also be applicable where doubt arises as to the continued physical capacity of a person in receipt of unemployment benefit. In such cases the officer who has reason to believe that the qualification of physical capacity is no longer satisfied (normally the Exchange Manager) would refer the applicant to his Insurance Doctor. If the Insurance Doctor found that he was incapable of work the case would be removed from the scope of the Unemployment Insurance scheme. If, however, he found that the applicant was capable of work the conflict of opinion could be decided under the procedure outlined above. We accordingly recommend :

I. That the Ministry of Health, the Scottish Board of Health and the Ministry of Labour should consider the adoption of arrangements to prevent conflict of opinion as to physical or mental capacity to work under the Health and Unemployment Insurance schemes, under which the Insurance Officer (in addition to a Court of Referees) should be empowered to refer an applicant for unemployment benefit to a medical referee for examination and when the

opinion of such referee differed from that already given by an Insurance Doctor, the case should be referred to the Regional Medical Officer of the Ministry of Health (or District Medical Officer of the Scottish Board of Health).

75. Claimants to uncovenanted benefit (and also claimants to covenanted benefit, who have not had 20 contributions paid in respect of them since the beginning of the last preceding Insurance Year) must satisfy the Minister of Labour, who in this matter usually accepts the recommendations of local committees, that they are normally employed in insurable employment and that they are genuinely seeking but unable to obtain whole-time employment (*see* Chapter IV, Section 2, paragraph 8). The general statutory conditions, including the condition that a claimant must be capable of work, still apply to such claims. In such cases the local officer of the Ministry of Labour who receives the claim may have an initial doubt as to the claimant's present physical or mental capacity to work, or the local committee, while they may consider, upon interviewing the claimant that he satisfies the additional statutory conditions, may have doubt as to his capacity to perform work at the moment owing to some temporary illness or disablement. Local committees have no authority to recommend disallowance of benefit solely on the ground that the applicant is not "capable of work." The determination of the question whether this condition is satisfied rests with the Insurance Officer, Courts of Referees and the Umpire and we understand that any question arising as to the satisfaction of the statutory condition "capable of work" is referred, in the first place, to the Insurance Officer for determination. When a claim has been so dealt with, we think that the arrangement which we have suggested above for remedying a possible conflict of medical opinion under the Health and Unemployment Insurance schemes, might be brought into operation to deal with these classes of claims in the same manner as with claims to ordinary covenanted benefit.

76. In any consideration of the relationship of medical standards of capacity for work under the Health and Unemployment Insurance schemes, it must always be borne in mind that under the Unemployment Insurance scheme an applicant must not only be "capable of work" but also "available for work." If owing to physical disability of some kind not involving total incapacity, a person is not available for work which he is reasonably likely to obtain on account of his need of medical treatment or otherwise, he would not be entitled to unemployment benefit, while at the same time (though exceptionally) he might not be entitled to health insurance benefit. This position would, however, not be due to the adoption in the course of administration of different medical standards under the two schemes, but to a fundamental difference between the statutory bases of the schemes.

- (B) *Claims involving interpretation of the additional statutory conditions for the receipt of unemployment benefit under the emergency scheme.*

77. In deciding whether an applicant is normally employed in insurable employment, physical or mental capacity for work is clearly one of the factors which must be taken into account, and the condition would not ordinarily be regarded as satisfied if the applicant's permanent physical or mental condition were such that there was no reasonable prospect that he would obtain and retain insurable employment under ordinary industrial conditions, even though at the moment of making his claim he were actually capable of some work. For example, a chronic epileptic may in certain circumstances be regarded as not normally in insurable employment and similar considerations may apply in the case of old men only likely to obtain and retain light intermittent employment, or in the case of persons affected by bodily disfigurement likely to render them more or less permanently unemployable. Such persons may be capable of some work and may exceptionally qualify by a short period of employment for receipt of covenanted benefit, but at the same time they may be outside the normal field of industrial employment. In such circumstances benefit would probably be refused, not on account of failure to satisfy the ordinary statutory condition requiring an applicant for benefit to be capable of work, but on account of failure to satisfy the special statutory condition requiring an applicant to be normally employed in insurable employment. The decision is not based on an estimate of the present capacity for work of the applicant from a purely medical standpoint, but on an estimate founded on the applicant's past industrial record and present physical condition, and of his future prospects in the field of industrial employment.

78. In such cases it must be recognised that there is a possible area of distress which has not been removed from the operation of the Poor Law by the Health Insurance or the Unemployment Insurance schemes since persons, who, owing to some lasting incapacity or physical disability cannot be regarded as normally in insurable employment, may not be qualified, at the moment of refusal of unemployment benefit, to receive benefit under the Health Insurance scheme. The criterion adopted under the Health Insurance scheme (and under the permanent provisions of the Unemployment Insurance scheme) is present capacity for work mainly from a medical standpoint; the criterion adopted in respect of benefit under the emergency provisions of the Unemployment Insurance scheme is the future prospect of regular employment viewed mainly from an industrial standpoint in the light of the applicant's past record of employment. These criteria have been adopted in the light of express statutory provisions, and in so far as there is a "gap" at this point between the two schemes, it is clearly of statutory origin.

79. As regards the second statutory condition—requiring an applicant to be genuinely seeking but unable to obtain whole-time employment—it has been alleged that unemployment benefit has in certain cases been refused (to applicants who have previously been refused health insurance benefit) on the ground that they are not physically capable of undertaking work which will occupy them for all the ordinary working hours of the week, and that therefore they cannot be regarded as genuinely seeking *whole-time* employment.

80. Since these allegations were made, however, it has been expressly provided under Section 1 (4) of the Unemployment Insurance Act, 1923, that the Minister of Labour may authorise a disabled ex-service man to receive benefit notwithstanding that the man is not seeking whole-time employment, if the Minister is satisfied that the applicant is unable by reason of his disability to perform whole-time employment. Cases of the nature covered by the allegations could now, therefore, only arise as respects women and non-ex-service men. We have been unable in the course of our enquiry to discover any actual cases in which this situation has arisen, and we are satisfied that if they exist they are of rare occurrence. Cases have, however, come to our notice in which the recommendation of the local committee has not made it clear that the real question at issue was the availability of the applicant for whole-time employment and not his physical or mental capacity judged by any special medical criterion. In order to be seeking whole-time employment within the meaning of the Acts, an applicant must be available to undertake work which occupies all the ordinary working hours of the week; this condition would in general not be satisfied by a man who, *e.g.*, on account of frequent attendance at hospital, could not take up employment for the ordinary working hours of his trade, but as explained above disabled ex-service men have been expressly exempted from the operation of this condition.

81. In this group of cases again the same situation, only in a rather more accentuated form, may arise as that which we discussed in paragraph 78 above; since persons who, owing to some physical incapacity, may not be available for whole-time employment are not necessarily rendered incapable of work so as to qualify for receipt of benefit under the Health Insurance scheme. This again, in so far as it is a "gap" at all, is a "gap" of statutory origin.

82. It appears to us that the misapprehension on which the criticisms of administration dealt with in the preceding paragraphs are founded is in part due to the terms sometimes employed by local committees in recommending disallowance of unemployment benefit. Instances have come to our notice in which benefit has been disallowed on the ground that an applicant was not "capable of work." On investigation these have proved to be cases where benefit was legitimately refused, but where the

real ground was that the applicant was not genuinely seeking work or could not be regarded as normally in insurable employment. The use of such a term as "capable of work" appears to have obscured the real ground of disallowance and the true nature of the statutory conditions of admission to benefit on which it is the duty of local committees to adjudicate. At the same time it has not unnaturally created misunderstanding in cases where an applicant had been previously certified under the Health Insurance scheme to be not incapable of work and has tended to obscure the real lines of demarcation between the functions of the local committees and the Chief Insurance Officer. We understand that the instructions issued to local committees by the Ministry of Labour already emphasise the need for adhering closely to the statutory terms in recommending disallowance of claims. We think, however, that more stress might be laid on the importance of this matter in preventing the growth of unfortunate misapprehensions, and we recommend :

II. That the Ministry of Labour should take further steps to bring home to their local officers and to local committees the importance of a correct statement of the statutory grounds upon which claims to benefit are disallowed.

DISALLOWANCE OF CERTAIN CLAIMS TO UNCOVENANTED BENEFIT.

83. Suggestions have been made to us that claims to uncovenanted benefit by young single persons have been disallowed after review by local committees on the ground that the claimant was living with relatives or parents to whom he could reasonably look for support during unemployment, when, if all the facts of the case had been available, it would have been clear that the deprivation of benefit would cause hardship. The implication contained in the suggestion was that benefit was being refused without adequate inquiry into the facts of each case.

84. Under the rules of procedure at present in operation no fresh claim to benefit is disallowed until the claimant has been given an opportunity of appearing in person before a local committee to state his case. We think this practice should be maintained. It appears to us that the personal interview provides a very adequate safeguard against the disallowance of a claim on an incomplete knowledge of the facts of the case. Committees are entitled to look to claimants to state a *prima facie* case in their own behalf at least not unfavourable to their own interests, and if claimants fail to do this (as appears to have been the case in at least one of the illustrations submitted in support of this criticism) the consequences of such failure must be at their own door.

ALLEGED DELAYS BY APPROVED SOCIETIES.

85. It has been stated to us that the average time taken by Approved Societies in dealing with similar classes of claims

to cash benefits by insured persons varies very considerably, ranging from a few days in the case of certain Societies to over two weeks in the case of others.

86. It is clear that any undue delay in the settlement of fresh claims must tend to create gaps in point of time between the Health Insurance scheme and other schemes at a moment, moreover, when the insured person is specially in need of the assistance which the Health Insurance scheme is designed to provide. We are not aware of any substantial ground for the existence of these differences in administrative practice and there seems to be little reason why the practice of all Societies should not approximate fairly closely to that of the most efficient. We accordingly recommend:—

III. That the Ministry of Health and the Scottish Board of Health should carefully watch the administration of cash benefits by Approved Societies from the point of view of the time taken in the settlement of claims and should use every endeavour to secure the general adoption of the standard set by the most efficient Societies.

CLAIMS TO HEALTH INSURANCE BENEFIT ON COMPLETION OF TREATMENT WITH ALLOWANCES UNDER THE MINISTRY OF PENSIONS.

87. It has been suggested to us that ex-service men who have received treatment with allowances under arrangements made by the Ministry of Pensions experience delay in obtaining from their Approved Societies health insurance benefit to which they may be entitled on the cessation of their allowances.

88. Normally, a disabled man undergoing treatment with allowances would also be "incapable of work" for the purposes of cash benefits under the Health Insurance scheme (though the converse might not be the case), and in such cases, on the cessation of allowances, regular payments either of the full sickness benefit or of disablement benefit might be made if the necessary conditions were fulfilled. It is however the case that many men suffering from war service disabilities have been undergoing treatment with allowances under the Ministry of Pensions intermittently for long periods since their discharge from the Forces. Consequently they have not been in a position to qualify for the receipt of full cash benefits under the Health Insurance scheme (*see* Appendix III, Chapter 3, Section 1, paragraph 7 (c)). Such men, during or at the termination of a course of treatment with allowances, may accordingly only be eligible for receipt of sickness benefit at the reduced rate of 7s. 6d. per week up to 26 weeks and may be ineligible for any payments at all on account of disablement benefit.

89. Upon the evidence before us, we are satisfied that delays in the payment of health insurance benefits, when due, upon the cessation of treatment allowances, are comparatively rare. Where such delays do occur they may generally be explained on one or other of the following grounds :—

Either

- (1) The Society concerned may be uncertain whether or not the cessation of treatment allowances is to be taken as an indication that the man's condition has sufficiently improved to render further treatment unnecessary, and may in such circumstances feel unable to admit a claim for benefit after the termination of the allowances without first assuring itself, by reference to the Regional Medical Officer, that the case does, in fact, continue to be one of incapacity for work.
- or* (2) The man, having exhausted his title to sickness benefit, may have been ineligible for disablement benefit during the whole or the concluding part of the period of treatment by reason of the receipt of treatment allowances and the Society, although satisfied of the continuance of incapacity, may find it necessary to defer the payment of benefit after termination of the treatment, pending verification of the facts.

90. Arrangements are already in force under which Approved Societies are notified by the Ministry of Pensions, whenever a disabled man commences and completes a course of treatment with allowances. These arrangements should in general be sufficient to ensure (provided that there is no doubt as to continuance of incapacity) that claims made by disabled men upon the cessation of treatment allowances are speedily dealt with, since the Approved Society is able if notifications are properly recorded to keep itself fully informed of the man's medical history so far as treatment under the Ministry of Pensions is concerned. In these circumstances it appears to us that any delays that may arise in the second class of case described in the preceding paragraph would be due rather to the ineffective application of these arrangements than to any deficiency in the arrangements themselves. We think, however, that the possibility of strengthening these arrangements might be further explored by the Departments concerned and we recommend :—

IV. That the Ministry of Health, the Scottish Board of Health, and the Ministry of Pensions should jointly consider whether any further arrangements could be made which would obviate the risk of delay in the settlement of claims to health insurance benefit by men who are still incapable of work upon the completion of treatment with allowances under the Ministry of Pensions.

INTERVAL BETWEEN PAYMENTS OF TREATMENT ALLOWANCES AND INSURANCE BENEFITS.

91. Representations have been made to us that inconvenience may be caused to a disabled man on the cessation of in-patient treatment with allowances under the Ministry of Pensions by the existence of an interval between the cessation of treatment allowances and the receipt of insurance benefits, owing to the fact that treatment allowances are paid in advance while payments under the Insurance schemes are made at or after the end of the week to which they relate. It has been suggested that the amount of the treatment allowances may in many cases be practically exhausted by the time the man is discharged from hospital and that, particularly where a man still requires some form of medical attention, such an interval may be seriously prejudicial to him.

92. We have enquired into the arrangements under which payments of war pensions and allowances and insurance benefits are made. We are satisfied that these arrangements are suited to the purposes of the several schemes and we do not think that it would be desirable to suggest any fundamental alterations in them. We are, however, impressed by the large amounts payable on account of treatment allowances in comparison with payments obtainable from other sources and we think that it would be possible without causing hardship to the disabled man undergoing in-patient treatment, or to his dependants, so to arrange payments that upon the man's discharge from hospital a lump sum payment could be made to him, which would be of assistance to him in meeting liabilities during any period that might elapse before he was able to draw insurance benefits or to take up some remunerative occupation. We recommend therefore :—

V. That the Ministry of Pensions should consider the possibility of withholding payment of a certain proportion of the amount of the personal allowance credited weekly to a disabled man undergoing in-patient treatment with allowances, the sums withheld to be accumulated for the benefit of the disabled man on the cessation of allowances.

CERTIFICATES GRANTED BY DOCTORS OF THE MINISTRY OF PENSIONS.

93. A number of cases have been submitted to us as " gaps " between the War Service Compensation scheme and other schemes which on examination appear to be based on misapprehensions as to the essential character of the provision made under this scheme.

94. Eligibility for treatment and treatment allowances under the Ministry of Pensions is limited (*see* Appendix III, Chapter VI). Broadly speaking, no responsibility is accepted by the Ministry for the treatment of disabilities not attributable to or aggravated by war service. Treatment, therefore, of a man suffering from a war service disability in addition to other disabilities not due to

war service, may cease when there is no further prospect that it will have any further ameliorative effect on the war service disability, irrespective of the state of the other disabilities. Moreover, the treatment provided by the Ministry is ordinarily of a "specialist" character, such as would not be provided by a general practitioner. Again, special allowances in lieu of pension are only payable during a course of treatment on the condition that the patient is incapacitated for work by or in consequence of the treatment.

95. In these circumstances cessation of treatment allowances is not necessarily equivalent to a declaration of capacity for work, and accordingly no official certificate to this effect is given by the doctors of the Ministry of Pensions. Certain medical certificates are, however, issued by medical officers of the Ministry—

- (1) It is the practice of doctors at clinics of the Ministry of Pensions to issue, under arrangements with Approved Societies, certificates of capacity and incapacity for the purpose of claims to cash benefits under the Health Insurance scheme to persons undergoing treatment at the clinics, both while they are under treatment and upon the cessation of treatment. The certificate given upon cessation of treatment may be, and frequently is, a certificate that the individual in respect of whom it is given is incapable of work.
- (2) It appears that when hospital treatment of a disabled man ceases, a medical officer of the hospital may be asked by the man to grant, and does grant in some cases, an informal medical certificate that the man is now "fit for light work" or for some specific form of work, or a man may be informed verbally that he is so capable in the medical officer's opinion. Such certificates have no official standing.
- (3) When, in the opinion of the appropriate medical officer, treatment in respect of a war service disability under special arrangements either in hospital or at a clinic is no longer required, that officer may issue a certificate to the effect that the patient now only requires general practitioner treatment, and if the patient is an insured person, he is referred to his Insurance Doctor. The patient may, in such circumstances, be suffering from non-service disabilities which render him incapable of work and so eligible for cash benefits under the Health Insurance scheme, or his war service disability may by itself still render him so incapable.

96. From the cases submitted to us it is clear that the meaning of cessation of treatment allowances under the Ministry of Pensions is not fully appreciated in all cases. In some cases there is a definite misapprehension that cessation of allowances is equivalent to a declaration of capacity to resume industrial em-

ployment, and in our view there is a danger lest medical certificates issued for the purpose of establishing the position of a man who has been receiving treatment under other schemes should add to this misapprehension. Capacity for work as such is no concern of the Ministry of Pensions under the treatment scheme. It is, however, an important factor under the schemes of assistance to which persons who have completed a course of treatment may turn—the Health and Unemployment Insurance schemes. It appears from the cases submitted to us that the issue of certificates of the nature indicated above by officers of the Ministry of Pensions, and particularly the informal certificates mentioned in section (2) above, has in fact tended to obscure the real nature of the responsibility which the State has undertaken in the provision of treatment. We accordingly recommend :

VI. That the Ministry of Pensions should review their arrangements for the granting of medical certificates by their officers to ex-service men who have completed a course of treatment, in order to minimise any risk of misapprehension as to the purpose of the treatment or allowances provided which may exist under present arrangements.

ALLEGED FAILURE OF ADJUSTMENT BETWEEN PENSIONS TO DEPENDANTS BASED ON NEED, AND OLD AGE PENSIONS.

97. It has been represented to us that there is in some cases a failure of adjustment between a parent's pension based on an estimate of the need of the parent and the old age pension to which a parent may be, or may become, entitled. Both pensions are dependent upon the financial circumstances of the applicant, though the procedure by which the amount of the pension to be paid under each of these schemes is arrived at differs materially, the old age pension being based on a simple estimate of the cash income and resources of the applicant, while the war pension is based on a determination of the liability incurred by the State in respect of the death of a member of the applicant's family. At the same time, while the war pension is calculated under Regulations made by the Minister of Pensions so as exactly to accord with the deficiency of income in respect of which it is allowed, old age pension is calculated in accordance with a scale which provides for variations in pension by fixed amounts of 2s. (in one case 1s.) per week.

98. A few instances have been brought to our notice in which the different procedure and the scales of the two classes of pension produce anomalies in working. We understand that the cases of difficulty are few in number, and that in practice adjustment is usually made without hardship to claimants. It is clear, however, that the number of cases in which persons may be entitled to both classes of pension will increase and we recommend therefore :—

VII. That the Ministry of Pensions should confer with the Treasury (Board of Customs and Excise) so as to

arrive at arrangements for the mutual adjustment of parents' and dependants' need pensions and old age pensions, in order to prevent as far as possible the occurrence of anomalies in the operation of the two classes of pension.

PART IV.—REVIEW OF SERVICES—OVERLAPPING.

99. At the outset of this part of the Report, we wish once more to lay stress upon the importance of a clear apprehension of the effect of the specialisation of assistance services in recent years. These services have developed on several independent lines—(1) health and educational services; (2) State pensions and State-assisted insurance schemes; (3) schemes providing cash compensation for disablement or death through service; (4) emergency and special post-war provision (including assistance in kind by way of compensation for service). Services in the first group have been designed to provide for the special needs of an individual affected by a particular form of infirmity, sickness or want and not for general need. An individual, perhaps the breadwinner of a family, may resort to one of them for treatment, and while undergoing institutional treatment, at any rate, his personal wants may be fully satisfied. The general needs of other members of his family, however, will not be provided for under that service. Schemes in the second group have not been designed to meet in full all the requirements of any individual case which has actually sustained the risk against which any one of these schemes provides. Under schemes in the third group, compensation is paid in accordance with the degree of the loss sustained; such compensation may provide virtually for the complete maintenance of the disabled or of bereaved dependants, but only in respect of total disablement or death in service. Services in the fourth group may provide incidentally for full maintenance, *e.g.*, during training, or they may provide for the payment of wages, *e.g.*, employment on relief works. The majority of them are, however, only designed to provide help in special contingencies, and in some cases the assistance they provide has no specific cash value, *e.g.*, juvenile unemployment centres. Though, therefore, the process of specialisation has resulted in the withdrawal of various sections of want from the immediate scope of the Poor Law in certain circumstances, the specialised services must still be open to supplementation, at any rate in abnormal cases, from other sources. Further, as a result of limitations in scope of statutory origin and of variations in the extent of the provision actually made by Authorities exercising a statutory discretion, there are still many cases in which persons in a state of need fall outside the range of specialised provision and the Poor Law must accordingly continue to make independent provision for the relief of many forms of need for which the specialised services are also providing. Finally, the position is further complicated by the existence of services, *e.g.*, the School Meals service in England and Wales, and the Maternity and Child Welfare service, which,

in respect of certain forms of provision, are not marked off by any clear statutory line of demarcation from the Poor Law service; by the adoption (in the legitimate exercise of discretionary powers conferred by statute) of different standards of need by Authorities administering different schemes in the same area or the same scheme in contiguous areas; and by the existence of wide differences, largely of statutory origin, in the types of administrative machinery created for the conduct of the different services and in the territorial areas forming the local units of administration under the various schemes.

Statutory Duplication of Provision.

100. In these circumstances an individual may in the existing state of the law look to several authorities simultaneously for assistance either for himself or for different members of his family, and again several different agencies may legitimately provide assistance for the same form of need. In practice both these forms of duplication of provision are to be found on an extensive scale. Both have a statutory basis, and we are not, therefore, in a position to discuss the principles underlying their origin. It appears to us, however, that in much of the criticism directed against what is loosely termed "overlapping," a sufficiently clear distinction has not been drawn between these forms of duplication of provision, statutory in their origin, and "overlapping," properly so called, due to administrative failure, which may result in the receipt by certain persons of assistance beyond the measure contemplated by statute.

Inter-relation of Services.

101. There are between the various services certain statutory barriers and checks, standing in the way of the simultaneous receipt by the same person of assistance under two or more schemes, or requiring assistance received under one scheme to be taken into account in the granting of assistance under another scheme. The most important of the statutory barriers (which are set out in detail in Appendix IV), are those which prohibit or prevent directly or indirectly the simultaneous receipt of cash benefits under the Health Insurance scheme and unemployment benefit or old age pension; of unemployment benefit and old age pension; of old age pension and indoor poor relief (other than medical relief for a limited period), and of unemployment benefit and institutional relief or assistance of any kind. Statutory checks operate under the Old Age Pensions and Blind Pensions schemes and under the Poor Law in the requirement that all means must be taken into account in assessing the pension to be awarded or the relief to be granted to any applicant. To this requirement there are, however, certain statutory exceptions, the most noteworthy being that embodied in the National Insurance Acts, which requires Poor Law Authorities to disregard, for the purpose of outdoor

relief, the first 7s. 6d. of cash benefits received under the Health Insurance scheme in any week. Finally, special statutory relationships have been created between several schemes at particular points of contact, such as that between the National Health Insurance and the War Service Compensation schemes under which pensioners in receipt of pension or allowance at the maximum rate receive sickness and disablement benefits at reduced rates until they have completed certain periods of insurable employment after discharge from the Forces.

102. The manner in which the various schemes are inter-related depends largely on the internal characteristics of each. A special place is held by the group of services formed by the National Health and Unemployment Insurance schemes and by the War Service Compensation scheme. The distinguishing mark of these services is the payment of definite amounts of money in accordance with scales laid down by statute or in regulations, warrants and orders on the establishment of definite qualifications. It is in general irrelevant from the point of view of these services to know what are the general means of a claimant to benefit or (apart from the operation of specific statutory barriers) whether he is already in receipt of assistance from other sources. Mid-way between this group of services and the discretionary services proper stand the Old Age and Blind Pensions schemes. Like the Insurance and War Service Compensation schemes, these schemes provide for the payment of definite amounts in accordance with prescribed scales. The amounts of the pensions payable depend, however, on the means of applicants and, in so far as assistance which may be regarded as providing regular income can be received by any person entitled to an old age or blind pension, it must be taken into account in assessing the amount of the pension to be awarded. In a third group there are the discretionary services proper, such as the Poor Law, the Maternity and Child Welfare service and the School Meals service. The character of the discretion possessed by Local Authorities administering these services varies widely. Broadly, all Authorities possess, in theory at least, a discretion as to the extent of the provision to be made out of public funds on a consideration of the merits of each individual case coming before them, *i.e.*, as to the amount of assistance in cash or in kind to be granted, as to the extent and nature of the treatment or care to be provided for sickness or infirmity, and as to the extent of the contributions towards the cost of maintenance, treatment and care to be recovered from beneficiaries. (Exceptionally, persons are not liable to repay the cost of treatment to some Authorities, *e.g.*, Local Authorities administering the Infectious Diseases and Tuberculosis services in Scotland.) The extent to which this discretion is exercised by Local Authorities varies widely according to the nature of the service provided. It is exercised most widely in the administration of assistance which directly or

indirectly relieves physical want, *i.e.*, poor relief, school meals, and extra nourishment under the Maternity and Child Welfare and Tuberculosis services. In the case of treatment and care, on the other hand, the technical standards of provision are dictated by considerations of public health and welfare, and the discretionary power to recover contributions from patients is exercised only within narrow limits and in some cases not at all. It is of vital importance to the Authorities administering assistance in relief of physical want, not only to know what other means, from public or other sources, an applicant for relief may possess, but also to be assured in their own financial interests, that full advantage is being taken of any other available sources of assistance before making provision from their own funds. Such knowledge is of less importance where over-riding considerations of public health dictate the technical standards of provision and restrict the recovery of contributions, and is not required at all by Authorities who administer fixed benefits or who require no payment from beneficiaries for treatment and care provided.

Position of the Poor Law.

103. Apart from the operation of the various statutory barriers, the statutes permit and, indeed in certain cases, expressly contemplate, "overlapping," both in the form of duplication of agencies for dealing with the same individual or family in respect of different forms and degrees of need and in that of the duplication of agencies providing similar forms of assistance for similar forms of need. The position of the Poor Law fully illustrates the possibilities of statutory "overlapping" inherent in the existing public assistance system.

104. In the first place, the public conscience has not been strongly disposed against overlapping with poor relief. This is evident in the provision already mentioned requiring Poor Law Authorities for the purpose of granting out-relief to disregard a certain amount of the cash benefits received under the National Health Insurance scheme; in the Outdoor Relief (Friendly Societies) Act, 1904, making a similar provision in respect of a certain proportion of any benefit received from a Friendly Society; in the Old Age Pensions Act, 1919, which enables old age pensions to be supplemented by out-relief; in the provisions of the National Insurance Acts, which prevent Approved Societies from making payments to a Poor Law institution (or, indeed, to any institution maintained out of public funds) in respect of the maintenance of an insured person who may be entitled to cash benefits during residence in an institution, and in a number of other provisions of a similar nature.

105. Secondly, while legislation dealing with old age pensions, health insurance, unemployment insurance, feeding of school children, maternity and child welfare, and other matters, has transferred successive classes of persons from the care of the

Poor Law, it has not relieved the Poor Law Authorities of the duty to supplement the assistance given to these classes by other Authorities if the assistance is insufficient to meet the needs of the beneficiary. It appears to us to be necessary specially to emphasise the legitimate possibilities of such supplementation in the case of assistance under the Old Age and Blind Pensions, and under the Health and Unemployment Insurance schemes. These schemes provide assistance strictly limited in amount with the object rather of encouraging and supplementing private thrift in certain emergencies than of providing for the complete maintenance of persons falling within their scope, and at the present time many persons who are in receipt of assistance under the Pensions and Insurance schemes are also having recourse to the Poor Law Authorities who, with full knowledge of the assistance already granted by other Authorities, may properly be making supplementary grants of relief. The Poor Law may also legitimately overlap with all other specialised assistance services, if not in granting supplementary relief to the same individual, at any rate in granting relief to members of the same family. So long as such supplementary relief, granted with full knowledge of the assistance obtained from other sources, does not exceed the amount necessary to relieve such destitution as may be present, Poor Law Authorities are merely carrying out the duty placed upon them by statute.

106. Finally, while specialised services have encroached upon the original field of the Poor Law in all directions, the Poor Law still retains many of the features of a system of provision for all forms of public need. It is not only being constantly called upon to supplement the provision made within the strict statutory limits of specialised schemes and to assume responsibility for many persons who are altogether outside the scope of the specialised schemes or who have temporarily exhausted their rights under such schemes, but it continues to provide, especially in the field of medical relief, many services provided concurrently under specialised schemes. Thus, Poor Law Authorities provide, as part of the ordinary administration of the Poor Law, medical treatment in Poor Law infirmaries and outdoor medical relief including extra nourishment. All Poor Law Authorities also provide lying-in treatment, and some provide special institutional treatment as well as out-patient treatment for tuberculous persons and other forms of specialised treatment.

107. While the Poor Law occupies a peculiar position among the various services as the residuary legatee of all forms of want, many other legitimate possibilities of concurrent provision for the same individual or for members of a single family necessarily exist under the system as it stands to-day. Payments under the War Service Compensation scheme may be received concurrently with any other form of assistance (other than certain forms of institutional assistance) by the same individual. Benefits under the Insurance schemes may be received simultaneously by different

members of the same family irrespective of any assistance received from other sources. Direct assistance under any other service, such as the Maternity and Child Welfare service and the School Meals service, may, apart from the operation of statutory barriers such as those prohibiting concurrent payment of insurance benefits and old age pension, be received concurrently with insurance benefits by the same individual or by different members of the same household. In fact, while the various statutory barriers embody a measure of statutory co-ordination between the various services from the point of view of overlapping, a more marked characteristic of the system over a wide field is the statutory permission of overlapping; this permission arises out of the more or less independent development of the various groups of services, which we noted when considering the services from the point of view of "gaps," and which renders necessary in many cases the supplementation of one service by another. The overlapping which we consider to be within our province arises out of a misuse due to failure of administrative co-ordination of these legitimate possibilities of statutory duplication of provision.

OVERLAPPING AS A RESULT OF FAILURE OF ADMINISTRATIVE CO-ORDINATION.

108. The possibilities of overlapping properly so-called, arising out of inadequate administrative arrangements, appear to be twofold. On the one hand, persons may obtain by fraud assistance under two schemes simultaneously, where concurrent payments under the two schemes are directly or indirectly prohibited by statute, *e.g.*, under the Health Insurance and Unemployment Insurance schemes. On the other hand, persons may obtain by misrepresentation or by the concealment of material circumstances, assistance from a number of sources simultaneously and in excess of the measure contemplated by statute, *e.g.*, excessive Poor Law relief granted by Authorities in ignorance of assistance received from other sources.

Evasion of Statutory Restrictions.

109. As regards the first of these forms of overlapping—that arising from the circumvention by fraud of statutory barriers—little material evidence is available. We have examined the arrangements made by the Departments concerned for preventing fraud of this nature and a statement of certain special arrangements made with this object will be found in Appendix IV (Part II). We understand that these arrangements are, on the whole, working satisfactorily. A certain number of prosecutions are instituted from time to time by the Departments concerned on the detection of fraud, but we have no reason to believe that cases of overlapping between such schemes as the Health Insurance and Unemployment Insurance schemes or between either of these schemes and the Old Age Pensions scheme are

of more than exceptional occurrence. In these circumstances, we do not feel called upon to make any suggestions as to the modification of existing arrangements.

Misrepresentation as to Means.

110. As regards the second form of administrative overlapping, that arising out of the concealment by applicants for assistance of material circumstances as to their means, a number of cases have been brought to our notice in which proceedings have been instituted by Poor Law Authorities against applicants for relief who have obtained excessive assistance by misrepresentation, and we appreciate that the cases in which such fraud is detected do not by any means represent all the cases in which fraud is practised. We are, however, not disposed to regard these cases as conclusive evidence of widespread administrative failure to prevent overlapping. At a time when so many persons are in receipt of assistance from one source or another, it is not surprising that attempts should be made by the unscrupulous to profit by the difficulties with which the various Authorities are faced in shouldering exceptional administrative burdens. The success of determined fraud in individual cases is not a true criterion of the efficacy of administrative arrangements.

111. We have also had before us a report upon a special test of the potential value of arrangements for the registration of assistance organised by the National Council of Social Service in Reading, Halifax and Liverpool over a period of four weeks, June-July, 1922, at the request of the Minister of Health. The assistance registered at Reading and Halifax included outdoor relief granted by Poor Law Authorities; unemployment benefit and dependants' grants; extra nourishment grants under the Maternity and Child Welfare service; school meals provided by Education Authorities; nourishment and general assistance in the home granted under the Tuberculosis service; old age and blind pensions; and a proportion of the cash payments on account of health insurance benefit. At Liverpool, where a scheme for the mutual registration of certain forms of assistance had been in force for some time, covering mainly discretionary and voluntary assistance, blocks of information concerning unemployment benefit, outdoor poor relief, old age and blind pensions and health insurance benefit (forms of assistance not ordinarily registered) were submitted and correlated with the information already contained in the register regarding other forms of assistance. War pensions and allowances were not registered at either Reading, Halifax or Liverpool.

112. The test revealed the existence of a number of cases where Authorities whose explicit or implicit duty it was to know the resources of applicants for assistance—Poor Law Authorities, Education, Maternity and Child Welfare, and Tuberculosis Authorities—were not aware of grants of assistance to the same

individual or to the same household made by other Authorities. Thus, out of 2,046 cases in which poor relief was given in Reading and Halifax there were 161 cases in which the Poor Law Authorities were not aware that assistance was also being rendered under the Maternity and Child Welfare service; 35 cases in which they were not aware that school meals were being provided by the Local Education Authority, and 89 cases in which they were unaware of the grant of unemployment benefit. Out of 261 cases in which school meals were provided, there were 31 cases in which the Local Education Authority were not aware of the grant of poor relief to parents; 43 cases in which they were not aware of the grant of assistance under the Maternity and Child Welfare service; and 25 cases in which they were not aware of the grant of unemployment benefit. Out of 435 cases assisted under the Maternity and Child Welfare service there were 14 cases in which the Authorities concerned were unaware of the concurrent grant of poor relief; and 35 cases in which they were unaware of the provision of school meals. While the methods followed in Liverpool placed certain limitations on the scope of the test, no case came to light there in which the Guardians in granting poor relief, were ignorant of the concurrent grant of unemployment benefit.

113. Beyond the results of this test there is little material evidence available. The suspicion remains, however, that overlapping of the type under consideration is widely prevalent and, while the scope of the test described above was too limited to enable any final conclusion to be reached, its results do indicate that there is a lack of co-ordination in the local administration of certain groups of services.

Responsibility for Overlapping.

114. Responsibility for such overlapping as is attributable to administrative failure rests in the main on the Authorities administering the discretionary services providing assistance in direct relief of physical want. These Authorities are required to take into account the means available for the support of applicants for assistance. This requirement is either a consequence of statutory obligations, as in the case of Poor Law Authorities, or is imposed by directions issued by a Central Authority (generally as a condition of the payment of a State grant), as in the case of Authorities administering the School Meals and Maternity and Child Welfare services in Great Britain, and the Tuberculosis service (in respect of grants of extra nourishment) in England and Wales.

115. The Authorities administering the Insurance and War Pensions schemes have in the main no interest in the means of their beneficiaries. The Authorities administering the Old Age and Blind Pensions schemes are required to have full knowledge of the means of applicants for pensions; the nature of the schemes, however, limits very closely the risk of unjustified

grant through the concealment of material circumstances. Certain Authorities administering services providing institutional treatment and care are also interested in the means of patients, but only from the point of view of recovery of contributions towards maintenance and treatment costs, and this is, in general, a secondary consideration as compared with the provision of effective treatment and care.

Arrangements for Administrative Co-ordination.

116. The internal arrangements made under each scheme for securing that assistance is granted only to those persons who are qualified to receive it are described in Appendix III in the accounts of the various schemes. Certain special arrangements for administrative co-ordination between Authorities administering different schemes have been separately set out in Appendix IV. A brief summary of the arrangements adopted by the four services now under consideration will therefore suffice at this point.

117. Among these four services the heaviest share of responsibility for the prevention of overlapping falls upon the Poor Law Authorities, and it is natural to find, therefore, that it is under the Poor Law that the most extensive arrangements for the ascertainment of assistance granted by other Authorities have been developed. The Poor Law still relies for the general prevention of overlapping upon the inquiries of the Relieving Officer (in Scotland, the Inspector of Poor) who is bound to submit to the Guardians (or Parish Council) on each case coming before them a case paper giving particulars of the applicant's income from all sources. In these difficult times, however, he is necessarily largely dependent on the statements made by the applicant himself. To supplement the internal machinery of the service, arrangements have been made by the Central Authorities with the Ministry of Labour (in 1921), under which an applicant for relief is asked in each case whether he is receiving such unemployment benefit and dependants' benefit as by his age, domestic circumstances, &c. he would appear qualified to receive and in any case of doubt the information given may be checked by reference to the local office of the Ministry of Labour. Arrangements have also been made with the Ministry of Labour in pursuance of provisions embodied in the Unemployment Insurance Act, 1922, to enable arrears of benefit to be paid direct to Poor Law Authorities in cases where, pending a decision on a claim to benefit, relief has been granted on the basis that benefit was not being received, i.e., relief in excess of the amount which would have been paid had the claimant actually been in receipt of benefit. It has also been arranged that the reports of the investigating officers of the Employment Exchanges will be available for consultation by Poor Law Authorities. The relations of Poor Law Authorities to the Authorities administering war pensions are not so close, but under instructions issued by the Ministry of Pensions the officers of

the Poor Law Authorities can always ascertain the amount of any pension or allowance in issue to an applicant for poor relief from the local office of the Ministry under a procedure similar to that in force for obtaining information from the Ministry of Labour. In the case of dependants of deceased ex-service men applying for pension on the ground of pecuniary need, where poor relief is found to be given, the Poor Law Authorities are notified of the application for pension. In such cases the amount of the outdoor relief is normally adjusted in order to allow the maximum award of need pension to be granted. Similarly Poor Law Authorities may ascertain whether an old age or blind pension is in issue to an applicant for poor relief from the local Pension Officer and the amount of the out relief is usually adjusted in order to allow the maximum award of pension to be made or continued. (The actual amount of the old age pension in issue can be ascertained from the Pension Order Book issued to every pensioner.) The local Poor Law Authorities have also been encouraged by the Central Authorities to make arrangements for the exchange of information with the Local Authorities administering the School Meals and the Maternity and Child Welfare services and with other Local Authorities concerned in the administration of assistance, similar to the arrangements adopted for co-operation with the Ministry of Labour and the Ministry of Pensions, and in some areas local initiative has established a satisfactory system of co-operation.

118. The machinery at the disposal of the Authorities administering the School Meals services for ascertaining the means of the parents of children who appear to require extra nourishment is necessarily much more limited. The requirement of declaratory statements as to means from parents and investigations by School Attendance Officers and by members of School Care Committees are among the methods adopted. The Local Authorities administering the Maternity and Child Welfare service (in respect of grants of free milk or of milk at less than cost price) rely for information mainly on declaratory statements checked as far as possible by investigations of local officers, Health Visitors, &c. The Authorities administering the Tuberculosis service in England and Wales act, it is understood, upon the advice of the voluntary Care Committees (where these exist) as to the financial circumstances of an applicant. Local Authorities in England and Wales administering the School Meals service and the Maternity and Child Welfare service (in respect of extra nourishment grants) are required by the Central Authorities to submit for approval the income scales which they propose to adopt as tests of necessity.

119. The special arrangements made by these Authorities for direct co-operation with one another and with other Authorities administering assistance services vary widely according to local initiative. Instructions have been issued by the Ministry of Labour and the Ministry of Pensions under which the Local

Authorities concerned can check any statements made as to benefit or pension in issue by reference to the local offices of the Departments in accordance with a procedure similar to that adopted for co-operation between the Poor Law Authorities and these Departments. Little use has, however, been made of these arrangements by the Local Authorities concerned, and we recommend :—

VIII. That the Ministry of Labour and the Ministry of Pensions should consider, in concert with the Board of Education, the Scottish Education Department, the Ministry of Health and the Scottish Board of Health, the desirability of bringing more directly to the notice of the Local Authorities concerned the facilities already available for obtaining from their local offices information as to benefit or pension in issue to an applicant for assistance from other public sources.

120. It may here be noted that the total amounts expended by Education Authorities upon the provision of meals in England and Wales, and of meals and clothing in Scotland, and by other Local Authorities on the provision of extra nourishment under the Maternity and Child Welfare service in Great Britain and under the Tuberculosis service in England and Wales, are relatively small. Although final figures are not yet available the total expenditure of Local Authorities on these forms of assistance in 1922-23 probably did not materially exceed £700,000.

121. The form of the administrative machinery of the Health Insurance scheme renders impracticable direct co-operation between Local Authorities and Approved Societies on the lines of the arrangements for co-operation between Poor Law Authorities and Employment Exchanges, and no general arrangements for the furnishing of information to Local Authorities by Approved Societies are at present in force. We think, however, that consideration should be given to the question whether it would be practicable and desirable for Approved Societies to give information to a Local Authority administering public funds to whom application for assistance has been made, if that Authority has reason to suspect the accuracy of statements made by the applicant as to the receipt of cash benefits under the National Health Insurance scheme, and we accordingly recommend :—

IX. That the Ministry of Health and the Scottish Board of Health should consider whether it would be practicable and desirable to extend the arrangements under which Approved Societies supply information to the Ministry of Labour as to payment of benefit, by authorising and recommending Approved Societies generally to supply, upon the application of Local Authorities administering assistance from public funds, information as to cash benefits received by individuals under the National Health Insurance scheme, where such information is required for the conservation of public funds.

Efficacy of Administrative Arrangements.

122. So far as the evidence submitted to us shows, the arrangements for co-operation between Poor Law Authorities, the Ministry of Labour, the Ministry of Pensions, and the Old Age and Blind Pensions Authorities, if properly utilised, are generally sufficient to provide the Poor Law Authorities with information as to the receipt of benefit or pension. We are inclined to the view that in so far as overlapping between these forms of assistance does occur, it is due rather to the inadequate use made by Poor Law Authorities of the existing arrangements for co-operation than to any deficiency in the arrangements themselves. Similar considerations apply in the case of overlapping of unemployment benefit with assistance under the School Meals and Maternity and Child Welfare services.

Overlapping between the Poor Law and School Meals Services in England and Wales.

123. It appears to us that there is a special danger of overlapping between assistance under the School Meals service in England and Wales and poor relief. The relationship between assistance under these services is not clearly defined by statute, nor is this relationship yet on any settled basis in administrative practice. While the Board of Education regard as fundamental the principle that the relief of destitution is a matter for Poor Law Authorities and that the burden of poor relief must not be transferred to the education rate by the misuse of the scheme for provision of meals, the practice of Local Education Authorities varies widely. Some Authorities, notably the London County Council, only provide meals for children of parents who are not in receipt of poor relief; some few Authorities provide meals only for children whose parents are in receipt of relief; others provide meals for the children of both these classes of parents without distinction. Since the details of these two forms of assistance are determined by local bodies co-ordination should not present any serious difficulty, but it seems clear that in some cases assistance is in fact afforded by the two Local Authorities simultaneously, each Authority remaining in ignorance of the assistance provided by the other.

124. Improved methods of investigation would in theory render overlapping between assistance granted by Poor Law and Education Authorities impossible, and even in practice would no doubt largely remedy existing abuses, but it appears to us to be preferable that in any given case one Authority only should be responsible for the administration of both types of assistance. Already in a number of areas the cost of school meals, so far as they are provided for persons in receipt of poor relief, is charged to the Guardians who thus, in fact, become the assistance authority for the special service as well as for the general needs of the family. Moreover, it is the duty of the Poor Law Authority to ensure that the

children of parents in receipt of poor relief are in a position to attend school, and as a corollary it would appear to be their duty to give adequate relief to enable such children to benefit by the education provided. We accordingly recommend :—

X. That Local Education Authorities in England and Wales, if they provide meals for the children of parents who are in receipt of poor relief, should only do so under arrangements with the Poor Law Authorities concerned providing for the granting of school meals as poor relief in kind.

We are of opinion that, where relief is given to a family, including children of school age, the adoption of a definite practice of giving a portion of that relief in the form of meals is highly desirable, in the interests both of the economical use of public funds and of the efficient feeding of the children.

125. It may be noted here that difficulties similar to those which have arisen in England and Wales arose also in Scotland, but now do so no longer in view of a recent opinion of the Law Officers of the Crown for Scotland that it is primarily the duty of the Poor Law Authorities to provide food, clothing and medical treatment for the children of parents who are in receipt of poor relief. Accordingly, no provision for such children is made in Scotland by Education Authorities, except under arrangements for repayment by the Poor Law Authorities. (*See Appendix III, Chapter V, Section 1B.*)

Overlapping between the Poor Law and certain other Discretionary Services.

126. The same considerations apply to the provision made under the Maternity and Child Welfare service in England and Wales and Scotland for the supply of milk either free or at less than cost price to expectant and nursing mothers and to infants and to the provision of extra nourishment made under the Tuberculosis service in England and Wales. Here again it is considered that the only completely effective methods of preventing overlapping in the case of households in receipt of poor relief are, either to leave the supply of milk and other forms of direct assistance entirely to the Poor Law Authority, or to regard the Maternity and Child Welfare Authority and the Tuberculosis Authority in the same way as we propose in the preceding paragraph that the Local Education Authority should be regarded, as agents of the Poor Law Authority in providing relief in such cases, and to arrange for the payment of the cost of the assistance by the Poor Law Authority. We accordingly recommend :—

XI. That Maternity and Child Welfare Authorities in Great Britain and Tuberculosis Authorities in England and Wales, if they grant assistance in kind in relief of physical want to families in receipt of poor relief, should only do so under arrangements with the Poor Law Authorities concerned similar to those proposed in Recommendation X above.

MACHINERY AND AREAS OF ADMINISTRATION.

127. The form of the development of the present system of public assistance has had other consequences which, though perhaps not in all cases leading to practical inconveniences, are at any rate theoretically indefensible.

Duplication of Investigating Staffs.

128. The Poor Law Authority, as the Authority covering the whole Kingdom and dealing systematically with destitution, was required to provide itself with an elaborate system of investigating officers. The number of Relieving Officers in a Union in England and Wales and of assistant Inspectors of Poor in a Parish in Scotland varies with the size and population of the Union or Parish, and the system has generally proved effective. The enquiries of the investigating staff, though a necessity to a public authority dispensing money, are, it must be admitted, one of the chief reasons for the unpopularity of the Poor Law. Accordingly, in the more modern developments of the system of public assistance, endeavours have been made to avoid the unpopularity attaching to the work of the investigating staff of the Poor Law Authority, and for this reason separate investigating staffs have, as necessity arose, been set up under different titles. The Local Education Authority in dealing with school meals relies mainly upon the reports of school attendance officers and school teachers; Maternity and Child Welfare and Tuberculosis Authorities on the reports of Health Visitors or other officers of their own, and the Old Age Pension Committees on the investigations of the Pension Officers: while the Ministry of Labour and the Ministry of Pensions make enquiries in connection with certain classes of claims to benefit and pension where the means available for the support of applicants may be taken into account, e.g., claims to uncovenanted benefit by young single persons, claims to dependants' need pensions. As a result, in the same area, and even as regards the same family, enquiries, directed to the same end, may be made by four or more different investigators on behalf of the Authorities concerned. It is clear that this multiplication of investigating staffs must be unnecessarily costly as well as irksome to the individual applicants and their families, and it appears to us that the Authorities concerned might well devise arrangements which would lessen this duplication in the work of investigation.

Differences in Income Scales.

129. A somewhat similar difficulty is responsible, we believe, for a great deal of ill-feeling among persons applying for assistance. The different Authorities in any one area are considering different aspects of public assistance. Each has to decide whether a person is qualified by his needs for assistance from their funds, and the readiest way to decide this question is by the application of a scale of income. Thus the Poor Law Authority may come to the conclusion that so much a week is necessary properly to

maintain a family of given size. The same method is followed by the other Authorities. As, however, they are considering different questions from different angles, the scales adopted by the different Authorities in the same area may, and frequently do, differ to an extent which is sometimes difficult to understand. Thus, while it is usual that the scale of income applied by the Local Education Authority to test eligibility for the receipt of school meals from public funds should be higher than the scale of income adopted by the Poor Law Authority—and in support of this it has been urged that the Local Education Authority are considering the special need arising from the increased strain involved by education—an instance was cited to us in which the reverse was the case.

130. We do not suggest that all these Authorities should work on the same scale. It is obvious, for example, that a mother's confinement involves a greater expenditure than the ordinary day to day life of a family. But it is clear to us that a useful purpose would be served by conferences of the Local Authorities in each area directed to the settlement of the different scales upon a common and reasonable basis. This co-ordination must be a matter for the Local Authorities and not for the Central Departments. For the Poor Law, at any rate, it is a cardinal principle that the Local Authority must decide in any case whether destitution is present or not, and the question is not one which can be settled by the fixing of scales applicable throughout the Kingdom, since the variations in the cost of living in different areas are substantial. We would add that while a scale of income may be a necessary incident for dealing with large numbers of applications it is in our view wrong that it should be applied rigidly. Its proper use is as a general guide, permitting with, if necessary some suitable revising machinery, variations either upwards or downwards as the actual circumstances of any case may require.

As a conclusion from the above discussion we recommend:—

XII. That in each area representatives of the Authorities concerned in the administration of assistance from public funds should from time to time examine in conference possible joint arrangements for the economical use of local administrative machinery, especially investigating machinery, and consider the standards adopted by the different Authorities for determining eligibility for assistance in individual cases.

Differences in Administrative Areas.

131. A somewhat similar point arises as regards the areas for which the Local Authorities act. The Poor Law Union areas in England and Wales were formed in and after 1834 on the basis that the market town with the parishes in which persons lived who attended the market should constitute one unit. The

Central Authority has power to vary these areas and modifications have from time to time been made in particular cases, and in country areas Unions still, broadly speaking, satisfy the idea with which they were formed. The growth of the towns, however, has produced a new state of affairs. There may, in a single Borough, be parts of four different Unions, and Unions in a certain number of instances include parishes from both sides of a County boundary, though here too modifications have been made to reduce the overlapping.

132. The administrative areas of the majority of the modern health and education services in England and Wales are the areas of the Sanitary Authorities, *i.e.* Councils of County Boroughs and Counties and Borough and County Districts. War pensions are at present administered by Regions consisting generally of groups of counties. Unemployment benefit is administered by Exchanges each of which covers a specific geographical area prescribed primarily with a view to industrial considerations, the aim being to include as far as possible in the same area a particular collection of works and the homes of the workpeople employed in them. The Exchange area therefore frequently does not coincide with any local government area.

133. No doubt local arrangements are generally made by which representatives of each of the Local Authorities are in easy reach, but it has been represented to us that this confusion of areas is a substantial obstacle in the way of persons who, when in need of assistance, find it difficult to ascertain from whence they can obtain it. It is, however, in the main an incident of the statutory development of the services.

PART V.—GENERAL REMEDIES FOR FAILURE OF ADMINISTRATIVE AND EXECUTIVE CO-ORDINATION.

134. In view of the limited scope of our enquiry we have not considered it to be any part of our duty to examine proposals which have from time to time been made in the direction of a concentration of powers in a single Public Assistance Authority. Real effect could, it is clear, only be given to such proposals by a reorganisation of the entire statutory framework of the existing system. We have, however, had submitted to us a number of proposals tending in the direction of unification which are of a definitely administrative character and properly within our province. They fall into two groups—first, proposals for the extension of existing arrangements for the registration of assistance, and secondly, proposals for the provision of greater facilities for the distribution of information as to the working of the various assistance services.

Registration of Assistance—Historical and Descriptive.

135. Registration of assistance may be carried out by a variety of methods. Generally, however, it implies the maintenance in a given area of a central register or index recording the details of certain forms of assistance given to any family or individual in the area, and forming the basis for a regular interchange of information among co-operating authorities. As early as 1869, Mr. Goschen, President of the Poor Law Board, indicated in a minute to Metropolitan Boards of Guardians, the desirability of establishing a register of relief in Metropolitan areas with a view to securing the fullest possible co-ordination between Poor Law Authorities and charitable agencies. Subsequently the Local Government Boards for England and Wales and Scotland and the Ministry of Health and the Scottish Board of Health, have from time to time expressed their approval of the principle of mutual registration of assistance and have encouraged Poor Law and other Local Authorities to make use of any existing schemes.

136. While however the principle of registration has received official endorsement, the actual development of schemes has been left to voluntary initiative. Schemes are at present in operation in some fifteen London districts and some twenty provincial towns. As is natural these schemes vary very widely in scope and effectiveness and reflect differences in the strength of the organisations responsible for their creation and in the extent to which the voluntary co-operation of public authorities has been obtained. The most complete schemes are those organised in Birmingham, Manchester, and Liverpool and Bootle by Local Committees and Councils representative of statutory and voluntary co-operating bodies.

137. The Birmingham scheme, organised by a Standing Committee of the Citizens' Society and the Manchester scheme, organised by a Mutual Registration Council, are financed mainly by grants from the respective Corporations, Boards of Guardians and voluntary co-operating bodies; the Liverpool and Bootle scheme is organised by a Committee of the Liverpool Council of Voluntary Aid and is financed entirely by grants from the Board of Guardians and the Liverpool and Bootle Corporations. The forms of statutory assistance registered wholly or partially under all these schemes are Poor Law relief, meals for school children and extra nourishment under the Maternity and Child Welfare service. In Birmingham and Manchester some old age pensions are registered by the local Pensions Committee; in Manchester extra nourishment and general home assistance given under the Tuberculosis service are registered; various additional forms of assistance, *e.g.*, assistance given under the Mental Deficiency service and grants from certain superannuation funds are also registered in certain cases. Finally, the principal relief-giving charitable agencies register under all three schemes.

138. The methods by which the information contained in local registers is made available for the use of co-operating Authorities vary considerably from place to place. Generally where the register indicates that a single family or individual is in receipt of assistance from more than one agency, the registrar furnishes each agency with information as to what the other is doing. Registered information is at the disposal of any agency directly concerned, but it is otherwise treated as strictly confidential and no one other than the registrar and his staff has access to the register.

Universal and Compulsory Registration of Assistance.

139. Two main suggestions have been made to us on the subject of registration—the first, in favour of the conversion of the existing voluntary and limited system into a compulsory and universal system covering all forms of assistance; the second, in favour of an extension to fresh areas of the existing system of voluntary and limited registration by the encouragement of voluntary effort. After an examination of the problems involved, we have reached the conclusion that in the circumstances of the time the adoption of a compulsory and universal system of registration, in accordance with the first of these suggestions, would be impracticable.

140. We are in the first place impressed by the formidable practical difficulties in the way of any attempt to record information as to grants made under the National Health, Unemployment Insurance and War Service Compensation schemes in such a manner that it might be of effective use to the interested Authorities. The Health Insurance and Unemployment Insurance schemes cover respectively some 15 million and 12 million persons in Great Britain. There are it is estimated some 400,000 persons receiving cash payments each week under the Health Insurance scheme through some 8,000 different Approved Societies and Branches. The Societies in many cases do not operate in particular areas and some centralised Societies have members in every Insurance Committee area in the country. Under the Unemployment Insurance scheme there are at the present moment some 1,000,000 persons in receipt of benefit weekly. The individuals in receipt of benefits under both the Insurance schemes vary constantly from day to day and from week to week. There are now some 2,300,000 persons, men, women and children, receiving pensions and allowances under the War Service Compensation scheme from the Ministry of Pensions. The amounts of these benefits are changing constantly and it is estimated that at the present time there are some 12,000 variations weekly in Great Britain. The practical difficulties in the way of maintaining any register of payments under these schemes are evident from these statistics. The extent of the work involved both in supplying and recording information would require a large staff and the consequent expense would be considerable. We doubt, moreover, whether in view of the constant

and daily variations in any register of persons in receipt of payments under these schemes, it would in practice be possible to maintain a register which would at any given moment be truly accurate and up to date.

141. Farther, even if the maintenance of a reliable register of assistance under these schemes were practicable, we do not think that the labour and expense involved would be in any way justified by the results. The primary object of the maintenance of a register of assistance is to place at the disposal of Authorities granting discretionary assistance, the necessary information to enable them to avoid making grants of assistance in excessive measure. As we have already indicated, however, it is in the main irrelevant to the Authorities administering the Insurance and War Service Compensation schemes to know what are the general means of their beneficiaries. Payments under these schemes are determined by the internal conditions of the schemes themselves, and in the main without regard (except in so far as statutory barriers may exist) to any grants made under other schemes. While, therefore, the particulars of assistance under these schemes would fill the most important place on local registers, the information would be of little or no value to the Authorities supplying it at considerable trouble and expense, nor indeed would any other items of information on the register be, except very occasionally, of any value to these Authorities. It might be suggested that mutual registration of payments under the Insurance and War Service Compensation schemes together with registration of payments under the Old Age Pension scheme would eliminate all possibility of fraud through the circumvention of statutory barriers, *e.g.*, between the Health Insurance and Unemployment Insurance schemes. The creation of new machinery specially designed for the prevention of fraud which, upon the facts before us, appears to be of relatively rare occurrence, involving expenditure by the Authorities concerned out of all proportion to the savings to be expected, does not appear to us to be justified.

142. We doubt, moreover, whether such a register would justify the expense involved in its maintenance by any substantial savings in the funds of the Authorities administering assistance in direct relief of physical want, as compared with the savings which can be effected at comparatively small expense to the co-operating Authorities under existing arrangements and by an extension of existing arrangements for the interchange of information. The receipt of benefits under the Unemployment Insurance and War Service Compensation schemes is at the present time generally ascertainable by public authorities under existing arrangements, and we make in this Report certain proposals whose adoption would, we think, tend to facilitate the exchange of information between the Authorities administering the Insurance, Pensions and Compensation schemes generally and Authorities who require a knowledge of the means of applicants for assistance.

Limited Voluntary Registration of Assistance.

143. At the same time, though we cannot recommend the extension of a mutual registration system on a compulsory basis to cover all forms of public assistance, it appears to us that limited local schemes of registration organised on a purely voluntary basis and financed mainly out of local public funds such as the schemes now in operation in Birmingham, Manchester and Liverpool, may have a real value in promoting local administrative co-ordination and in effecting a saving of public funds. The actual forms of assistance to be registered under such schemes must depend upon local initiative, but we think that the assistance which may most suitably be registered is that given on a discretionary basis providing relief for physical want—poor relief, school meals, extra nourishment under the Maternity and Child Welfare and Tuberculosis services.

144. It has been suggested to us that old age and blind pensions are also a form of assistance specially suitable for general registration. The practical problem presented by such registration in any given area would not be a difficult one and while we have not examined in detail the questions of policy involved, we think that the question of authorising the registration of such pensions might be reviewed by the Department concerned—the Treasury (Board of Customs and Excise).

145. It appears to us to be essential for the success of such schemes of registration that their voluntary basis should be strictly maintained. Only in this way is it possible to secure the co-operation of charitable bodies whose grants are of special importance to Authorities administering assistance based on means and who in turn stand to benefit by the existence of a reliable register of discretionary assistance. It appears also to be essential that no attempt should be made to invest the officer in charge of a register with any other functions than those of collecting information and of acting as a channel through which the information collected might be passed to the Authorities concerned, and further, that any information on a register should be treated as strictly confidential and available only to recognised Authorities and bodies on good cause. We think, however, that it would be of advantage if a register of assistance, where established on a voluntary basis on the lines we have indicated, could be linked up, as occasion arose, with the Authorities granting assistance in the area covered by the register, but not registering their grants, and with this object we recommend:—

XIII. That Authorities and bodies not themselves regularly communicating information to a register of assistance, should consider the desirability of recognising the officer in charge of a voluntary local register of assistance as a person to whom they might communicate upon request details of grants made by them in particular cases.

146. The experience of the working of the existing schemes shows that the expenditure upon a limited registration scheme may be kept within modest limits. According to the most reliable estimate which we have had submitted to us, the annual expenditure in any considerable centre of population should not exceed £2 per 1,000 of the population. This expenditure might, we think, be legitimately borne by local statutory and voluntary bodies whose funds benefit by the operation of the scheme, as it is now in fact borne in Birmingham, Manchester and Liverpool where the most extensive schemes are in operation.

147. We contemplate the establishment of voluntary registration schemes by local joint bodies representative of the agencies co-operating in the schemes. It appears to us at the same time that such bodies, which for convenience we term Councils of Social Service,* might fulfil many useful functions even in areas where the establishment of a registration scheme was not the immediate object of their formation. A number of such Councils are already in existence and we think that a wider extension of their activities would be of value. While the actual constitution of such Councils must be left to local initiative their membership should, we think, be non-official and should include honorary workers upon the various statutory committees of the Authorities administering statutory assistance in a given area, *e.g.*, Boards of Guardians, Parish Councils, Local Employment Committees, Local Education Committees, Insurance Committees, Old Age Pension Committees together with representatives of any voluntary bodies who may care to co-operate. The initiative in the formation of such Councils might be taken by the Mayor or other head of the Local Government Authority. The existence of such Councils would, we believe, be of great value in promoting the smooth administration of the public service of the country by bringing into close and systematic association persons engaged locally in administering public and voluntary assistance.

Information Officers.

148. We think, finally, that such councils might fulfil a further valuable function. In our view much avoidable dissatisfaction with the working of the public assistance services is due largely to the ignorance of the average citizen as to the forms of assistance available and as to the conditions under which they may be obtained. Such ignorance is only natural while public assistance takes so many forms and is administered by so many Authorities, each guided by different principles and working by different methods. Officials dealing with a particular service cannot be expected to be fully informed of the conditions under

* *Note.*—We have used the term "Council of Social Service" to include all local bodies under whatever name they work, because the term, in our view, conveniently indicates the type of organisation which we contemplate. We do not intend to limit our reference to the bodies already using that title and affiliated to the National Council of Social Service.

which assistance may be granted by other services, and moreover they may hesitate in any case to give advice which seems to compromise another service. Again, when large numbers of persons are being dealt with, errors do naturally occur, sometimes due to mistakes of individual officials and sometimes to the fact that an applicant for assistance, from ignorance it may be, misleads an official into a refusal of assistance for which the applicant is really eligible. The actual hardship or the fancied injustice suffered have a real cumulative importance in fostering discontent and bitterness, even though the number of cases in which they occur may be almost infinitesimal in comparison with the total number of cases dealt with by the various Authorities. The best safeguard against the growth of such feelings probably lies in the provision of better facilities for giving advice to persons in need of it as to the general circumstances in which assistance is obtainable from the various Authorities, and for this purpose we think that it would be desirable that there should be, in every large centre of population, some officer conversant with the principles and methods of assistance Authorities generally, not identified with any particular public service, but in close touch with persons engaged in public administration, who would be in a position to give reliable information and assistance both to individual applicants and to officers of the several services who might be in difficulty in dealing with cases falling apparently within the scope of a number of services. We think that such an officer might with advantage be appointed, and that his work should be supervised by the local Council of Social Service, with the members of which he should be in close and constant touch. The functions of such an officer should be strictly confined to those of giving information and advice to applicants for help, of putting them into touch with the appropriate authority for dealing with their case, and of advising any agency where necessary as to the procedure to be followed in dealing with difficult individual cases outside its own scope, but possibly eligible for some form of assistance.

As a conclusion from the above discussion we recommend :—

XIV. That the Central and Local Authorities concerned should promote the formation by voluntary effort, in areas for which such an organisation appears to be desirable, of local Councils of Social Service constituted on the lines suggested in paragraph 147 of our Report, who should among other things :—

- (a) Organise voluntary schemes for the mutual registration of certain forms of assistance, and
- (b) Supervise the work of an officer to be appointed to give advice and information as to procedure to persons and agencies in need of guidance.

XV. That the expenses of Councils of Social Service should be borne locally and that, where a scheme of mutual registration of assistance has been instituted, the Local

Authorities whose funds would benefit should be prepared to give favourable consideration to applications for grants towards the cost of maintaining the register.

149. *Summary and Recommendations.*

Our survey of the field of our enquiry shows that the arrangements for public assistance in this country, originating, as they have done, out of successive decisions of Parliament, do not form a single and closely co-ordinated system. On the other hand, we have found, generally speaking, little or no ground for the view that the administrative arrangements of the several services do not carry out the intentions of Parliament, or that persons are not receiving assistance contemplated by Parliament.

We have not felt that it was within our province to consider the limitations imposed with the express or implied sanction of Parliament upon what we have called the specialised services. We have, however, as occasion arose in the course of our Report, drawn attention to the principles (*e.g.*, insurance or compensation) on which the specialised services have been based, and the necessary consequences of those principles in limiting the classes of persons who may benefit, and the extent to which they may benefit from each of these services. We have also pointed out that behind the specialised services, assisting the persons who are outside their scope, and the persons who, though assisted by a specialised service are not fully maintained by it, there remains the universal Poor Law system charged with the duty of relieving destitution wherever and however it occurs.

As regards the administrative improvements which our enquiry suggests to us, we recommend :

I. That the Ministry of Health, the Scottish Board of Health and the Ministry of Labour should consider the adoption of arrangements to prevent conflict of opinion as to physical or mental capacity to work under the Health and Unemployment Insurance schemes, under which the Insurance Officer (in addition to a Court of Referees) should be empowered to refer an applicant for unemployment benefit to a medical referee for examination, and when the opinion of such referee differed from that already given by an Insurance Doctor, the case should be referred to the Regional Medical Officer of the Ministry of Health (or District Medical Officer of the Scottish Board of Health).

II. That the Ministry of Labour should take further steps to bring home to their local officers and to local committees the importance of a correct statement of the statutory grounds upon which claims to benefit are disallowed.

III. That the Ministry of Health and the Scottish Board of Health should carefully watch the administration of cash benefits by Approved Societies from the point of view of the time taken in the settlement of claims, and should use every endeavour to secure the general adoption of the standard set by the most efficient Societies.

IV. That the Ministry of Health, the Scottish Board of Health and the Ministry of Pensions should jointly consider whether any further arrangements could be made which would obviate the risk of delay in the settlement of claims to health insurance benefit by men who are still incapable of work upon the completion of treatment with allowances under the Ministry of Pensions.

V. That the Ministry of Pensions should consider the possibility of withholding payment of a certain proportion of the amount of the personal allowance credited weekly to a disabled man undergoing in-patient treatment with allowances, the sums withheld to be accumulated for the benefit of the disabled man on the cessation of allowances.

VI. That the Ministry of Pensions should review their arrangements for the granting of medical certificates by their officers to ex-service men who have completed a course of treatment in order to minimise any risk of misapprehension as to the purpose of the treatment or allowances provided which may exist under present arrangements.

VII. That the Ministry of Pensions should confer with the 'Treasury (Board of Customs and Excise), so as to arrive at arrangements for the mutual adjustment of parents' and dependants' need pensions and old age pensions, in order to prevent as far as possible the occurrence of anomalies in the operation of the two classes of pension.

VIII. That the Ministry of Labour and the Ministry of Pensions should consider in concert with the Board of Education, the Scottish Education Department, the Ministry of Health and the Scottish Board of Health, the desirability of bringing more directly to the notice of Local Authorities concerned the facilities already available for obtaining from their local offices information as to benefit or pension in issue to an applicant for assistance from other public sources.

IX. That the Ministry of Health and the Scottish Board of Health should consider whether it would be practicable and desirable to extend the arrangements under which Approved Societies supply information to the Ministry of Labour as to payment of benefit, by authorising and recommending Approved Societies generally to supply, upon the application of Local Authorities administering assistance from public funds, information as to cash benefits received by individuals under the National Health Insurance scheme, where such information is required for the conservation of public funds.

X. That Local Education Authorities in England and Wales, if they provide meals for the children of parents who are in receipt of poor relief, should only do so under arrangements with the Poor Law Authorities concerned providing for the granting of school meals as poor relief in kind.

XI. That Maternity and Child Welfare Authorities in Great Britain, and Tuberculosis Authorities in England and Wales, if they grant assistance in kind in relief of physical want to families in receipt of poor relief, should only do so

under arrangements with the Poor Law Authorities concerned similar to those proposed in Recommendation X above.

XII. That in each area representatives of the Authorities concerned in the administration of assistance from public funds should examine in conference possible joint arrangements for the economical use of local administrative machinery, especially investigating machinery, and consider the standards adopted by the different Authorities for determining eligibility for assistance in individual cases.

XIII. That Authorities and bodies not themselves regularly communicating information to a register of assistance, should consider the desirability of recognising the officer in charge of a voluntary local register of assistance as a person to whom they might communicate upon request details of grants made by them in particular cases.

XIV. That the Central and Local Authorities concerned should promote the formation by voluntary effort, in areas for which such an organisation appears to be desirable, of local Councils of Social Service constituted on the lines suggested in paragraph 147 of our Report, who should, among other things :—

- (a) Organise voluntary schemes for the mutual registration of certain forms of assistance, and
- (b) Supervise the work of an officer to be appointed to give advice and information as to procedure to persons and agencies in need of guidance.

XV. That the expenses of Councils of Social Service should be borne locally and that, where a scheme of mutual registration of assistance has been instituted, the Local Authorities whose funds would benefit should be prepared to give favourable consideration to applications for grants toward the cost of maintaining the register.

150. In conclusion, we desire to express our deep appreciation of the invaluable services rendered by our Secretary, Mr. H. D. Hancock. His industry and masterly grasp of the intricacies of the complicated subject of our enquiry have alone made it possible to present the full information contained in this Report.

We have the honour to be,

Sir,

Your obedient Servants,

(Signed) H. B. BETTERTON (*Chairman*).
C. W. G. EADY.
H. W. S. FRANCIS.
C. F. ADAIR HORE.
JOHN JEFFREY.
WALTER S. KINNAR.
T. W. PHILLIPS.
D. J. SHACKLETON.

H. D. HANCOCK,
Secretary.

20th December, 1923.

APPENDIX I.

LIST OF WITNESSES IN THE ORDER IN WHICH THEY APPEARED BEFORE THE COMMITTEE.

Mr. Sidney Webb, M.P.	...	...	Employment Secretary, Association of Women Clerks and Secretaries.
Miss Edith MacDonald	...	...	Chairman, Administrative Committee, Charity Organisation Society.
Mr. Frank Morris	...	...	Hon. Registrar, St. Pancras Charity Organisation Society.
Miss Armistead	...	...	Representing the Charity Organisation Society.
Miss Worship	...	...	Chairman, Liverpool Local Employment Committee, Ministry of Labour.
Mr. Lawrence Holt	...	...	Chairman, Stepney Local Employment Committee, Ministry of Labour.
Mr. W. Groves, J.P.	...	...	Chairman, Liverpool Area War Pensions Committee, Ministry of Pensions.
Mr. Walter Peel	...	...	Chief Area Officer, Ministry of Pensions, Liverpool Area.
Mr. W. H. Rawdon Smith	...	...	Chief Area Officer, Ministry of Pensions, Leicester Area.
Captain J. W. Newham	...	...	Chief Area Officer, Ministry of Pensions, Plymouth Area.
Mr. D. Smale	...	...	Assistant General Secretary, British Legion.
Mr. R. Griffin	...	...	General Secretary, National Council of Social Service.
Captain L. F. Ellis, D.S.O., M.C.	...	...	Representing the National Council of Social Service.
Mr. Hancock Nunn	...	...	Assistant Secretary, Medical Department, Board of Education.
Mr. D'Aeth	...	...	Second Secretary, Scottish Education Department.
Mr. S. P. Grundy, O.B.E.	...	...	Assistant Secretary, Ministry of Health.
Mr. A. H. Wood	...	...	President of the Association of Poor Law Unions; Chairman, Fulham Board of Guardians.
Mr. G. W. Alexander	...	...	Chairman, Sheffield Board of Guardians.
Mr. H. O. Stutchbury	...	...	Clerk to the West Derby Board of Guardians.
Rev. P. F. G. Probert, M.A.	...	...	Inspector of Poor, Glasgow; representing the Society of the Inspectors of the Poor, and Poor Law Officials in Scotland.
Mr. J. W. Flint	...	...
Mr. G. W. Coster	...	...
Mr. M. A. Reynard	...	...

APPENDIX II.

Copy of Letter from Mr. SIDNEY WESS, M.P. to the
Rt. Hon. A. BONAR LAW, M.P.

17th January, 1923.

DEAR MR. PRIME MINISTER,

I VENTURE to call your attention to a matter which, I find, is exciting considerable feeling. There are, I believe, some tens of thousands of men, many of them ex-service men, who are at present failing to get any provision for their needs, notwithstanding the extensive schemes of the Pensions Ministry, the Ministry of Labour, the Ministry of Health and the local Poor Law Authorities, by reason only of the gaps in and between the several schemes, and of the imperfection of the inter-departmental co-ordination. Every one of these cases is a centre of resentment, and of a bitter discontent, for which I cannot but feel there is some justification.

Let me take the case of the disabled ex-service man as an instance. The warrants of the Ministry of Pensions (doubtless rightly) severely limit the payments to partially disabled men to the percentage of £2 per week that is represented by the extent of the disability; this resulting in innumerable payments of less than 20s. weekly. Moreover, by a regulation difficult to justify to the sufferers, if the compensation due is less than 8s. per week, even in respect of permanent disability, it is not paid as a pension; but, in lieu thereof, a weekly sum is granted for a limited period, culminating in a final gratuity, the value of the whole being, apparently, considerably less than (in some cases only about a third of) the permanent pension that would, but for this rule, have been granted.

If the sufferer needs medical treatment, and is not admitted to hospital (as is now usual), the Treatment Allowances (for his maintenance) are not granted if no special course of treatment entailing abstinence from work is required, and the ordinary services of the Panel practitioner are deemed sufficient.

The terms of the Pension Warrants provide compensation of fixed amounts for certain defined conditions. But it remains the fact that in only a relatively small proportion of cases do they provide (or were intended to provide) for the disabled man whose ordinary employment is interrupted, or stopped altogether, by his physical condition, even though that may be due, wholly or partly, to his war disability. The assumption behind is that (like any civilian member of the population) the disabled ex-service man has the Ministry of Health and Ministry of Labour schemes to fall back upon, if he cannot get work. But it is precisely here that a "gap" occurs. The Departments concerned, in respect of their Regulations, do not "join their flats" and many men are falling between them. It is assumed that the Ministry of Labour provides for the unemployed ex-service man by Relief Works and Unemployment Insurance. For the altogether inadequate Relief Works the ex-service man is offered an illusory "preference". Failing employment, it is assumed that every man gets the Unemployment Insurance "dole". But many tens of thousands, including numerous ex-service men, are, strictly according to regulations, failing to get the "dole" either because they have been left altogether outside the Insurance scheme, or because of some technical breach of regulations, or because the Minister of Labour has made a rule refusing the "uncovenanted benefit" to single men who can be induced to live on their parents (and to all aliens)—although the Government charges these, when in work, the same weekly contribution as the others, and has actually decided to recover from them in the future, as from the others, what it is refusing to pay them in their hour of need! Moreover, the Labour Exchanges will only pay the "dole" to persons whom they

consider "capable" of work. Hence, both the ex-service man suffering from his injuries whom the Ministry of Pensions has left to the Labour Exchange to eke out his 8s. to 20s. a week, and the civilian suffering from some complaint, are sometimes refused Unemployment Insurance Benefit on this ground alone, and are merely referred to their Approved Societies under the Health Insurance scheme.

But here again, the flats are not joined. The Labour Exchange, acting on its own independent medical report, decides that an applicant is not "capable" of work; but the Approved Society's medical referee thinks otherwise, with the result that the 15s. per week Health Insurance Benefit, which it was assumed that the man would receive (and would, somehow, live on) is withheld, temporarily or definitely. Moreover, among the hundreds of thousands of ex-service men, who, either in respect of war injuries or ordinary civilian sickness, are relegated to the Ministry of Health, a very large proportion find they cannot draw the 15s. per week which they are assumed to be entitled to, because they have "run out of benefit" or are cut down by some regulation of the society or of the Ministry of Health, so that they get two, four or ten shillings only, or even nothing at all. The effect of arrears of contributions due to enforced unemployment has been, in a majority of cases, neutralised by temporary State assistance as regards Unemployment Insurance; but it has been left to operate disastrously and with scarcely any mitigation, in the case of Health Insurance.

Finally, there is the Poor Law, which, it is generally assumed, deals with all the "missed cases", and all those which fall through the unjoined flats. But in Scotland the law absolutely prohibits any relief whatever, indoor or outdoor, to the able-bodied man; and, though this law is being broken daily with the healthy connivance of the Scottish Government, it is also being used to deny relief. In England and Wales, the Guardians are, in most places, refusing outdoor relief to single men—just those from whom the Minister of Health has arbitrarily withheld the Unemployment Benefit that he is nevertheless charging up against them to recover by deduction from their future wages—including many thousands of ex-service men, and in very many districts are refusing it to married men also, except on conditions which make its acceptance intolerable.

Now, what is here defective is not the schemes or scales of provision, which are elaborate and multifarious, but merely a failure to "join the flats". Each Department is no doubt quite justified in its own action, according to its own rules and principles; but the net result is, in too many cases, complete failure. The matter is urgent, for people are starving.

Would it not be possible for you, as Prime Minister, to appoint a small committee representing all the Departments concerned, which should, very promptly, say within a fortnight, submit to you the necessary changes in the Departmental Regulations "joining the flats", so that no man slips through; and then, within say a month, a further scheme so effectively uniting the local administrations in each district that no person in need, for whom the Labour Exchange admitted that it could find no situation, or who was certified as medically unfit to work, should fail to receive, either the institutional treatment appropriate to his or her case, or an allowance (to whatever Department it might subsequently be charged) sufficient for healthy maintenance.

In view of the widespread public interest aroused by this question, I hope that you will not think it discourteous of me to communicate this letter to the Press.

I am, dear Prime Minister,

Yours faithfully,

(Signed) SIDNEY WEBB.

Copy of Letter from the Rt. Hon. A. BONAR LAW, M.P., to Mr.
SIDNEY WEBB, M.P.

25th January, 1923.

DEAR MR. WEBB,

I HAVE given careful consideration to your letter of the 17th January, in which you complain of what you describe as gaps in and between the several schemes now in operation for the assistance of disabled ex-service men, the sick, the unemployed and the destitute—schemes which are administered respectively by the Ministries of Pensions, Health and Labour and by the Poor Law Authorities under the general direction of the Minister of Health. You further complain of imperfection in the inter-departmental co-ordination of these schemes.

I must join issue with you at once on what I think is the underlying hypothesis of your letter, viz., that every person in need is entitled to look to the State for either work or maintenance. The State has made what I believe may fairly be described as generous provision for the disabled men. It has also set up contributory schemes, to which the Exchequer makes a large contribution, for the assistance of the sick and the unemployed. But outside the limits of these schemes the relief of the destitute must, in my opinion, continue to be, as it has been for centuries past, a local responsibility to be discharged through the Poor Law Authorities.

As an illustration of the extent to which these schemes do in fact provide assistance, I may say that during the financial year 1922-23, it is estimated that about £68,000,000 will be paid in pensions and other allowances to disabled men by the Ministry of Pensions, £27,500,000 in medical benefit, sickness benefit and other payments under the Health Insurance Scheme in England, Wales and Scotland, £44,000,000 in unemployment benefit under the Unemployment Insurance Scheme, and £12,250,000 to the able-bodied unemployed from the Poor Law Authorities. This makes a total of £151,750,000 quite apart from the great amount of other assistance which is being provided for the unemployed.

Subject to what I have said, I do not dissent from your suggestion that any "gaps" in these schemes, should they be shown to exist, should as far as possible be filled up, and that there should be the fullest co-ordination between the various Departments in the administration of the schemes, and in the executive action taken under them. It will perhaps help to clear the ground if I set out briefly what the various schemes are intended to cover.

The Pension Warrants provide pensions or other grants on account of disabilities arising from service during the Great War. The main lines of these Warrants were laid down by the first two Ministers of Pensions, Mr. Barnes and Mr. Hodge, and the scale of benefits has since been modified in the direction of greater liberality to the pensioner. I believe our Pensions system to be not only just but generous; it certainly can stand comparison with the provisions made in any other country. But, as you yourself say, the Pension Warrants are rightly limited to the making of grants in respect only of certain definite contingencies arising out of war service. Indeed, the principle that pension compensation should be adjusted without reference to employment is one to which both ex-Service men and Parliament attach great importance, and successive Ministers have pledged themselves to maintain it. I need not remind you that a pensioner is none the less entitled to draw either Sickness or Unemployment Benefit because he is concurrently receiving a War Pension.

The Health Insurance Scheme and the Unemployment Insurance Scheme are contributory schemes, covering not the whole population but only those falling within the ambit of the Acts and providing limited benefits on definite terms; as you know, agriculture and domestic service are

outside the Unemployment Insurance Scheme. Having regard to the manner in which the funds of these schemes are collected, it would be quite improper to pay sickness or unemployment benefits otherwise than in accordance with the rules laid down under statute, or to persons who do not fall within the class of insured contributors.

There remains the Poor Law system which, I would emphasise, is the only universal system in this country for the relief of the destitute. All other schemes are designed to deal, within the limits marked out, with certain contingencies such as sickness or unemployment, or with certain classes, such as the disabled man. It is the duty of the Poor Law Authority to relieve the destitute in all cases. As you know, the manner in which relief should be given is left largely to the discretion of the Authority subject to certain general directions issued by the Ministry of Health.

I should mention that you are scarcely accurate when you say that in Scotland the law absolutely prohibits any relief whatever to the able-bodied man and that this is being used to deny relief. The Scottish law in this respect was altered, for the time being in 1921, by the Poor Law Emergency Provisions (Scotland) Act, which is still in force and which expressly provides in Scotland for the relief of destitute able-bodied persons who are unable to obtain employment.

You say that the Poor Law Authorities in most places refuse outdoor relief to single men, to whom unemployment benefit also is frequently refused by the Ministry of Labour, and you instance this as one of the gaps which should be filled. As to this, you know of course that benefit due on account of contributions is not refused to applicants on the ground that they are single men. In the case of free or uncovenanted benefit the Local Employment Committees are directed not to refuse a grant to single men, otherwise eligible, unless they can reasonably be expected to look to parents or other relatives for maintenance. The Poor Law Authorities are not bound, or indeed empowered, to assist applicants unless they are destitute, and I do not see how single men who can reasonably look to parents or relatives for maintenance can be regarded as destitute.

Another gap which you allege to exist is between the administration of Health and Unemployment Benefit, in the case of persons who you say are rejected by the Employment Exchange as not "capable of work" and are refused sickness benefit because the medical practitioner employed on the Health Insurance Scheme finds otherwise. According to my information there is no such conflict of jurisdiction. It may take a little time to ascertain the facts, but in practice the opinion of the medical referee under the Health Insurance Scheme would be accepted by the Employment Exchange on the medical question at issue.

You say, further, that many ex-service men can only get two, four or ten shillings a week in sickness benefit, or even nothing at all, because they have run out of benefit or are excluded by some regulation. Here also I would remind you that in view of the continued lamentable unemployment and its effect on the power of contribution under the Health Insurance Scheme, special arrangements were made by law for the continuance of unemployed persons in insurance and for making available to them a minimum cash sickness benefit of 8s. a week in addition to the ordinary maternity and medical benefits, whether contributions have or have not been made during the qualifying year.

As I have already indicated, I am quite prepared to consider whether, within the limits marked out for the various schemes, there are any gaps which should be filled, and there would certainly be no harm in verifying that the utmost degree of departmental co-ordination is attained. This latter aspect of the matter has by no means been overlooked in the past. I may mention in particular the arrangements which have

now been in operation for some time for co-ordination of working between the Poor Law Authorities and the Employment Exchanges, and I enclose for your information a general circular issued by the Ministry of Health on the subject of local co-ordination as long ago as November, 1921.

It is clearly right, however, that the co-ordination should be as perfect as is humanly possible, and I am accordingly arranging for the setting up immediately of an Inter-departmental Committee to consider the question, consisting of representatives of the Ministry of Health, Ministry of Labour, Ministry of Pensions and the Secretary for Scotland. You will, I hope, be willing to furnish this Committee with the materials on which your letter is based.

As your letter was issued to the Press, I am sure you will not mind if I publish my reply in the same way.

Yours truly,

(Signed) A. BONAR LAW.

APPENDIX III.

DESCRIPTIONS OF SCHEMES.

Chapter I. —The Poor Law.

Chapter II. —Old Age and Blind Pensions.

Chapter III.—Provision on account of Sickness and Infirmary.

- Section 1. The National Health Insurance Scheme.
- Section 2. The Infectious Diseases Service—Hospitals.
- Section 3. The Maternity and Child Welfare Service.
- Section 4. The Tuberculosis Service.
- Section 5. The Venereal Diseases Service.
- Section 6. The Lunacy Service.
- Section 7. The Mental Deficiency Service.
- Section 8. Highlands and Islands Medical Service.

Chapter IV.—Provision on account of Unemployment.

- Section 1. The Employment Exchange System.
- Section 2. The Unemployment Insurance Scheme.
- Section 3. Relief Works.
- Section 4. Juvenile Unemployment Centres.
- Section 5. Training of unemployed Women.

Chapter V. —Services provided by Education Authorities.

- Section 1. Provision of Meals etc. for School Children.
- Section 2. School Medical Services.

Chapter VI.—War Service Compensation Scheme.

- Section 1. War Pensions—Treatment—Special Grants.
- Section 2. Vocational Training — Employment — Resettlement.

CHAPTER I. THE POOR LAW.

A. ENGLAND AND WALES.

1. *Introductory.*

The Poor Law system is the oldest of the social services of the country providing assistance from public funds. Its purposes are still, broadly, those prescribed in the Poor Relief Act, 1801 (43 Elizabeth, c. 2), which were in the words of the statute—

- (a) "Setting to work the children of all such whose parents shall not . . . be thought able to keep and maintain their children."
- (b) "... Setting to work all such persons married or unmarried, having no means to maintain them and no ordinary daily trade of life to get their living by."
- (c) "... The necessary relief of the lame, impotent, old, blind and such other among them being poor and not able to work."
- (d) "... The putting out of such children to be apprentices."

The interpretation of these duties in practice has varied widely from time to time; to some of these variations in practice reference is made below. The broad effect of subsequent statutory enactments, the most important being the Poor Law Amendment Act, 1834, has, however, been rather to refashion administrative machinery for carrying out the duties laid down in the Elizabethan statute than to bring any new classes of persons within the scope of Poor Law assistance.

2. *Machinery and Areas of Administration.*

Responsibility for the administration of the Poor Law is shared between Central and Local Authorities.

The Central Authority is the Minister of Health, to whom all the powers and duties of the Local Government Board were transferred by the Ministry of Health Act, 1919. Under the Poor Law Amendment Act, 1834, and subsequent legislation, the Central Authority is invested with a wide measure of control over the whole administration of the Poor Law, and, in particular, over the conditions under which relief should be administered. It exercises this control by the issue of Orders which are legislative decrees with the force of law, and of Circulars which, though recommendatory only, have in many cases hardly less influence as statements of policy than an Order; by audit and surcharge in the case of irregular expenditure by the Local Authority; by the power to sanction loans, works, and the purchase etc. of land; through control in certain directions of Local Officers; and by certain powers of acquiring information and of inspection. These powers, though apparently extensive, are however in practice, severely limited, partly because the interpretation and execution of the Orders and Circulars issued rests not with paid officers of the Central Authority, but with virtually independent Local Authorities who have themselves a wide measure of discretion in the execution of their duties. Hence, to quote from the Majority Report of the Royal Commission, 1905-1909: "The Central Authority in practice finds itself in a position where its powers of prohibition are great but its powers of initiation small."

Local administration is in the hands of Boards of Guardians,* who are unpaid officers elected by the Local Government electors in each parish. Each Board of Guardians is charged with the administration of Poor Law relief in an area consisting either of a single large parish or more usually of a Union of parishes formed under the Poor Law Amendment Act of 1834 and subsequent legislation. In the course of the

* Note.—The special administrative machinery operating in the London area has not been separately described in this or in subsequent accounts.

nineteenth century the cost of the Poor Law was transferred in these Unions from the ratepayers of the individual parishes to a common fund, contributed to by the ratepayers of the whole Union.

In rural districts, since the Local Government Act of 1894, there is no separate election of Guardians. The Rural District Councillors are now *ex-officio* the representatives of parishes in their district on the Board of Guardians. In Urban Districts, however, separate elections are still held. The areas of jurisdiction of Poor Law and Sanitary Authorities differ materially. There are now some 650 Union areas in England and Wales.

The consideration of applications for relief may be delegated by a Board of Guardians to Committees appointed by the Board from among their members. Such Committees are usually appointed in large Unions to deal with applications for relief in particular districts of the Union. The Committees work within the general instructions of the Board, and their decisions are subject to review by the Board except in cases where the Committee have been appointed under an Order of the Central Authority which confers on them power to hear and determine applications.

The chief officers of the Local Authority are the Clerk to the Guardians, the chief executive officer of the board; the Relieving Officer, assisted by deputies in large Unions, whose principal duties are to receive applications for relief, to investigate the circumstances of applicants, and to issue relief upon the instructions of the Guardians; and the Masters (or Superintendents) of the various Institutions under the Control of the Guardians.

For administrative purposes Unions are divided into districts each in charge of a Relieving Officer. Districts are also formed for purposes of medical relief (*see* para. 8 below) in each of which a doctor is appointed to provide medical assistance. These districts are ordinarily coterminous with the districts of the Relieving Officers.

3. *Qualification for Relief.*

The qualification for relief under the Poor Law has always been destitution, i.e., the absence of the necessary means to maintain the applicant for relief and his dependants. Destitution was defined by the Legal Adviser of the Local Government Board in his evidence before the Poor Law Commission, 1908-09 in the following terms:—

"Destitution when used to describe the condition of a person as a subject for relief, implies that he is for the time being without material resources:—

- (1) directly available;
- (2) appropriate for satisfying his physical needs—
 - (a) whether actually existing, or
 - (b) likely to arise immediately.

By physical needs in this definition are meant such needs as must be satisfied:—

- (1) in order to maintain life; or
- (2) in order to obviate, mitigate, or remove causes endangering life or likely to endanger life or impair health or bodily fitness for self-support."

This definition was restated in a Circular issued by the Local Government Board in 1910, in which the Guardians were reminded that in determining whether any applicant for relief was or was not destitute "they have to remember that a person may be destitute in respect of the want of some particular necessity of life without being destitute in all respects; as for instance, a person who is not destitute in the sense that he is entirely devoid of the means of subsistence, may yet be destitute in that he is unable to provide for himself the particular form of medical attendance or treatment of which he is in urgent need."

4. *The Central Authority and the Administration of Relief.*

Broadly speaking, relief may be granted in two forms:—

- (1) Indoor Relief in an Institution maintained by the Guardians.
- (2) Outdoor Relief in the applicant's home.

The scheme of relief contemplated by the Poor Law Commission, 1832-34, and by Parliament when passing the Amending Act of 1834, was that no able-bodied person and no dependant of an able-bodied person should be relieved otherwise than in a well regulated workhouse, and, indeed, thus relief in a workhouse should be applied as far as possible to all other classes of destitute persons. This scheme of relief was, however, never fully realised in practice.

Section 53 of the Poor Law Amendment Act, 1834, which deals with the regulation of the relief to the able-bodied, contained a proviso enabling the Guardians, with the sanction of the Central Authority, to make departures from the regulations in force in particular cases. Moreover, it has never been practicable in the larger urban Unions and in times of industrial depression to require all persons in need of relief to enter the workhouse, and in practice the relief of the able-bodied, where substantial numbers were concerned, has taken the form of outdoor relief conditional upon performance of a full task of work. For obvious reasons this has been more generally the case in dealing with persons who had family ties than with, for example, single men.

The Regulations of the Central Authority were revised and codified in 1911 into a single Order, the Relief Regulation Order, 1911, which embodies the statutory regulations now governing the administration of relief. Briefly, the most important general provisions of the Order relating to relief are:—

- (1) That in ordinary times and in the absence of special circumstances, an able-bodied person and his family shall not be relieved outside the workhouse.

Exceptions to this are permitted in the case of certain classes of special circumstances (Article II (2))—in the case of a widow having no illegitimate child, one born after the commencement of her widowhood, or a married woman living separately from her husband; in the case of sickness, accident, bodily or mental infirmity, whether arising from old age or otherwise, affecting the person or any member of his family who is dependent on him for support, and in the case of a person requiring relief for the purpose of defraying the expenses of burial of any member of his family.

- (2) That in exceptional circumstances, e.g., in times of industrial distress, relief to able-bodied persons may be given in their homes, provided that the head of the family is required either to enter the workhouse (Article X) or to perform a labour test (Article XI).

- (3) That the general rules (other than certain rules prohibiting payment of rent by the Guardians and assistance to applicants to establish themselves in business) may be departed from at the discretion of the Guardians upon consideration of the circumstances of any particular case, provided that they report their decision within twenty-one days to the Central Authority, which retains the power to disapprove the decision.

A further important provision of the Order is that which places upon Boards of Guardians the duty of recording in a "case paper" full particulars of every applicant for relief to include among other things particulars of dependants or relatives liable to contribute to the applicant's support, of the nature and cause of the application for relief, and of the income from all sources whatsoever of the applicant, of members of the applicant's family or relatives residing with the applicant and of other relatives liable to contribute. The "case paper" is to be

placed before the Guardians on each occasion on which the case is considered by them, and the particulars recorded are to be verified and brought up to date from time to time.

The principal Orders now in force governing the actual administration of relief are the Boarding Out Order, 1911, the Poor Law Institutions Order, 1913, and the Poor Law Institutions (Nursing) Order, 1913. Separate institutions such as infirmaries are usually regulated by special Orders of the Central Authority.

5. *Non-statutory Recommendations of the Central Authority.*

As stated above (para. 2) circulars are issued from time to time by the Central Authority containing suggestions and recommendations as to the general line upon which the Guardians should proceed in administering relief within the limits of the statutory regulations. The most important recent statement of the Central Authority's views on the administration of relief, with special reference to the relief of the able-bodied under present conditions, is that contained in a circular issued by the Minister of Health in September, 1921, No. 240. The broad principles laid down are:—

- (1) That while relief granted under the Poor Law should be adequate to relieve distress in any given case, the amount of relief should be calculated on a lower scale than the earnings of the independent workman who is maintaining himself by his labour.
- (2) That relief should not be given without full investigation of the circumstances of each applicant.
- (3) That the greater portion of the relief given in the case of able-bodied applicants should be given in kind, and that in suitable cases it should be made a condition that relief should be repaid by the applicant.

The suggestion is made that an applicant should be required to sign a form containing a complete statement of his income from all sources, and it is recommended that orders for relief should be given for short periods only, and that further investigation should precede the renewal of the order; the Guardians are further reminded that relief cannot be given in money until the case has been considered by them.

6 *The Local Administration of Relief.*

(a) *The General Discretionary Power of the Local Authority.*—Within the limits of the statutory rules outlined in para. 4 above, the Guardians are allowed, and are encouraged by the Central Authority, to exercise a wide discretion in the administration of relief. They are called upon to exercise this discretion broadly in four directions:—

- (1) In determining whether a particular person whose case is under consideration is, or is not, destitute.
- (2) In deciding whether relief should be given in an Institution or in the applicant's home.
- (3) In deciding, if outdoor relief is given, whether conditions should be attached to the grant either by requiring the applicant to perform a labour test in the case of an able-bodied man or by requiring improvements of the home conditions, as for example in the case of children.
- (4) In deciding if outdoor relief is given, how much relief should be given in a particular case.

In determining whether any applicant for relief is or is not destitute, and in deciding upon the amount of relief to be given, the Guardians are under an obligation, except in certain cases in which there is a special statutory provision, to take into consideration all means of income available for the support of the applicant and his dependants. These special statutory exceptions are contained in the Outdoor Relief (Friendly Societies) Act, 1904, which requires Poor Law Authorities to disregard the

first five shillings of any sum received from a Friendly Society as sick pay; the National Health Insurance Acts, under which Poor Law Authorities are required to disregard the first 7s. 6d. of any benefit received; and the War Pensions Act, 1918, under which Poor Law Authorities are precluded, in granting relief to a parent or other dependant (other than a wife or child) of a disabled man, from taking into account any part of the disablement pension awarded to a son who otherwise would have been held responsible for the whole or part of any relief granted to the parent or other dependant. The Guardians were at one time required to disregard a proportion of unemployment benefit, but this requirement was cancelled by the Unemployment Insurance Act (No. 1) of 1922.

In assessing the amount of outdoor relief to be given in any particular case, the Guardians have absolute discretion, subject on the one hand to a certain measure of financial control retained by the Central Authority (see para. 2 above), and on the other hand to the general recommendation of the Central Authority that relief when given should be adequate to relieve distress.

(b) *Test of Validity of Claims for Relief.*—In view of the wide discretion entrusted to Guardians, it is essential that they should be in possession of the fullest information available as to the circumstances of every applicant for relief. This is attained principally in the following ways:—

- (1) By the maintenance of a relief staff with the duty of examining as far as possible into the circumstances of every applicant, by visiting the house and by making all necessary enquiries.
- (2) By the "case paper" system, supplemented in most Unions in accordance with the suggestion of the Minister of Health in Circular 240, by statements signed by every applicant for relief setting out full particulars of the income of the applicant and his family from all sources.
- (3) By the granting of relief for short periods only, and by the frequent review of cases.
- (4) By the practice of attaching conditions to the grant of relief in any doubtful case, such as requiring relief to be afforded in a workhouse or on performance of a labour test, and so securing that the person relieved is in a position of substantially less comfort than the independent labourer.

(c) *Emergency Relief.*—While normally, relief is not granted in any case until full investigation has, so far as possible, been made into the circumstances of the applicant, and the case has been considered by the Board of Guardians or by a Relief Committee, relief is always immediately available to an applicant who can show sudden or urgent necessity. In such cases the applicant may be admitted to a Poor Law Institution by the Master (or Superintendent) without any order, or he may be granted relief by the Relieving Officer. Relief so granted by the Relieving Officer may only be in kind. No money relief may be granted until the case has been considered by the Guardians. The Relieving Officer is, in the meanwhile, under an obligation to prevent the applicant from perishing of want.

7. *Provision for Children.*

The Guardians have a wide discretion in providing for children. The vast majority of children relieved are relieved in their own homes and with their parents or widowed mother. The Guardians are prohibited from retaining children permanently in mixed institutions, and the immense majority of the children receiving indoor relief are maintained in institutions exclusively for their use. The majority of children receiving indoor relief now attend the public elementary schools for educational purposes. The Guardians, however, still provide industrial and other training in addition to that afforded by the schools. The Guardians also have discretion to place them in voluntary schools, usually

of a definitely denominational description, which are certified by the Central Authority, and in certain cases the Guardians are empowered to board them out with suitable foster parents. A number of children are emigrated by the Guardians to Canada, where they are under the direct supervision of the Government authorities and are generally reported to do well. It may be observed that Guardians have also the duty of apprenticing, or otherwise providing with a fair start in life, orphan and deserted children who are in their charge.

The policy of making the lot of persons in receipt of Poor Relief less eligible than that of persons maintaining themselves in independence, applied to the administration of relief to able-bodied adult persons, is for obvious reasons not applicable to the care of children. The aim in regard to children is to educate them to independence.

8. *Medical Relief and Provision for certain Special Classes of Persons.*

(a) *Medical Relief.*—The Guardians may provide necessary medical relief to persons who, though not necessarily destitute in the full sense of the term, are nevertheless unable to bear the cost of medical attendance essential for the recovery of health. Such relief may be provided either in the applicant's home by the attendance of the Poor Law District Medical officer, who may order the provision of medicines, of medical and surgical appliances and of extra nourishment at the expense of the Guardians, or in an Infirmary or Sick Ward attached to an Institution. In addition, the Guardians have power, with the sanction of the Central Authority, to subscribe to Convalescent Homes, Sanatoria and other Institutions to which sick poor persons may be sent, and also to subscribe to voluntary Nursing Associations.

(b) *Special Classes of Persons.*—In any cases requiring exceptional relief the Guardians have power to afford relief by sending the applicant to an institution specially fitted for his reception. Thus they may send consumptive persons to a Sanatorium and blind, defective, epileptic, feeble-minded and idiot children and adults to the special Homes and Institutions appropriate for such classes. Specialised institutions are also provided by certain Boards of Guardians, who receive patients from other Boards by agreement, and by combinations of Boards authorised by the Central Authority.

9. *Review of Local Administration, 1920-23.*

In the exceptional circumstances brought about by the prolonged industrial depression since 1920, Boards of Guardians have been faced with special difficulties in the administration of relief. While in the majority of Unions the provisions of the Relief Regulation Order, 1911, are fully observed, the Guardians in many of the industrial areas of the country have to an unprecedented extent availed themselves of the powers conferred upon them, by Article 12 of the Order, to depart in exceptional circumstances from the general rules laid down.

Apart from the exceptional circumstances of the time, these departures are due to a large extent to a change in the conception of the nature and function of public assistance traceable to the War and to the developments of social policy after the Armistice. By separation allowances, out-of-work donation and war pensions, a large section of the public became accustomed to the idea of a right on the part of any man to receive from public sources a particular income, varying according to the number of his dependants. The spread of this idea has inevitably weakened the position of the Guardians in the exercise of their discretion, while the circumstances of distress in their area dispose them in many cases to grant relief rather more freely than in the past. Moreover, this change in the conception of the nature of public assistance in general, and of the functions of the Poor Law in particular, has been facilitated by the fact that in order to deal with the large number of applications received in Unions it became practically necessary for the Guardians in deciding

whether the applicant was or was not destitute, and in assessing the amount of relief required, to adhere rigidly to a scale of income, varying according to the number of the applicant's dependants, and this scale has in some instances become public property.

Except in one respect, in certain areas a position has been produced closely resembling that resulting from the decision of the Magistrates of Berkshire in pre-1834 days, that an agricultural labourer's income should be made up to a prescribed figure, whatever his earnings might be. The important exception is that according to recent enquiries made through the General Inspectors of the Ministry of Health, there are few if any instances in which relief is being given to men who are actually employed.

Throughout this period, however, the Relief Regulation Order, 1911, in the view of the Central Authority, has still embodied the essential principles of sound Poor Law administration, and the following quotation from the Third Annual Report of the Ministry of Health, 1921-22, shows that even during the worst periods of industrial depression a number of Boards of Guardians in industrial areas were still adhering to its provisions in the light of the general recommendations as to policy made from time to time by the Central Authority.

"Certain Boards of Guardians for industrial areas have refused to give outdoor relief to able-bodied persons at all, others have insisted on the performance of an adequate labour test, others again have declined to act upon any definite scale of relief, and one at least has refused to give outdoor relief to any person in receipt of unemployment benefit. The proportion of population relieved in these Unions is substantially less than in other Unions, and though attention has been specially given to the point, there is no evidence before the Department of more acute distress in these areas than in those with less restricted relief."

B. SCOTLAND.

1. *Introductory.*

The Poor Law fills substantially the same position in Scotland in relation to other schemes of assistance and relief from public funds as in England. Its permanent basis is derived from a Statute passed during the minority of James VI in 1579 for purposes which appear clearly from the title "for punishment of stragg and idle beggars and relief of the poor and impotent." No provision is made in this Statute on the lines of that made in England in the Elizabethan Statute of 1601 for setting the able-bodied poor to work and no right to receive relief is conferred upon the able-bodied even in return for labour tasks performed. This refusal of relief to the able-bodied is the fundamental difference of principle between the permanent English and Scottish Poor Law systems.

As in England the statutory developments, down to 1921 at least, effected changes rather in the machinery of administration than in the principles upon which the system is based. The most important of these later enactments was the Poor Law (Scotland) Act, 1845, based largely upon the findings of the Poor Law Enquiry Commission, 1843-1844, which laid down the main lines upon which the administration of the Scottish Poor Law system is proceeding to-day.

In 1921, in view of the abnormal unemployment prevailing, an emergency Act, the Poor Law Emergency Provisions (Scotland) Act, 1921, was passed, which imported a new principle into Scottish Poor Law by allowing relief to be granted to destitute able-bodied persons unable to obtain employment. This Statute is, however, only intended to be a temporary measure to meet the present exceptional situation. Its provisions have been extended till 15th May, 1924, by the Local Authorities (Emergency Provisions) Act, 1923.

2. Machinery and Areas of Administration.

The Poor Law Central Authority in Scotland is the Scottish Board of Health to whom the powers of the Scottish Local Government Board were transferred by the Scottish Board of Health Act, 1919. The Board have no power, such as that possessed by the Central Authority in England, to issue Poor Law Orders of a mandatory character. They do, however, issue regulations, minutes and circulars for the guidance of Local Authorities in administration, and these have in effect come to be regarded as the Rules and Regulations for the administration of the Poor Law. The Board have extensive statutory powers to enquire into local administration and to review the decisions of Local Authorities in administering relief in individual cases upon the complaint of aggrieved applicants. They have, moreover, power to compel a refractory or negligent Local Authority to perform its duties through an Order of the Court of Session. Finally, they are in a position to influence local administration by the exercise of certain financial powers and by a measure of control over certain officers of the Local Authority.

The local unit of administration in Scotland is the Parish Council, the members of which are elected triennially by popular vote. There are in Scotland some 870 parishes, with populations ranging from 596,085 in Glasgow, to 78 in Lyne (Peebles), and with areas ranging from 28 acres, Anstruther-Easter (Fife), to 267,047 acres, Kilmonivaig (Inverness).

The responsible local executive official for Poor Law Relief purposes is the Inspector of Poor, who is appointed by the Parish Council, but who, once appointed, can be dismissed only by the Board of Health. This official combines, with comparatively few exceptions, the offices held in England by the Clerk to the Guardians and by the Relieving Officer. Among other duties he is responsible for the preparation and maintenance of records of all relief given to the poor of the parish, for making enquiries into the circumstances of applicants for relief, for visiting from time to time all persons in the parish in receipt of relief and for dealing with applications for relief between meetings of the Parish Council or of Relief Committees.

Elaborate machinery, which has no counterpart in the English system, is provided in Scotland to enable applicants for relief to appeal against the decision of the Parish Council (see para. 7).

3. Qualifications for Relief.

(a) *Permanent Provisions.*—Under the permanent provisions of the Scottish Poor Law, the qualification for relief is destitution coupled with disability to earn a livelihood. The interpretation put upon these terms in the course of administration is set forth in the Report on Scotland of the Royal Commission on the Poor Laws, 1905-1909, as follows:—

"As regards the first qualification—that of destitution"—it is to be observed that a person need not be reduced to a state of "total and absolute destitution" before becoming entitled to relief. Poor persons in receipt of outdoor relief usually occupy a furnished house of some description. It is, besides, an acknowledged principle of long standing that out-relief seldom amounts to a complete maintenance, but is usually a supplement to (1) earnings, (2) assistance from relatives, or (3) the benevolence of neighbours and others. Destitution is therefore an elastic term which varies according to the needs and circumstances of the individual. Thus a man who is partially able to earn a living, or who is assisted by relatives or neighbours, will require less from the Poor Law than another man who is without these resources. Yet both are held to be destitute in the eye of the law. We find that, with the concurrence of the Local Government Board, Poor Law Authorities occasionally place an even more liberal interpretation upon the term destitution, especially in the case of widows with children.

"As regards the second qualification—that of 'disability'—it has been decided that a destitute poor person, to be entitled to relief,

must be suffering from some bodily or mental disability which prevents him from working to earn a subsistence for himself and his dependants. A man in bad health, but able to earn wages, has been held by the Court not to be a proper object of relief. Similarly it is illegal to grant relief to the dependants of an able-bodied man although they may be sick. As regards women, it has been decided that, if able-bodied and without encumbrances or having only one child, they are not entitled to relief."

(b) *Temporary Provisions*.—Under the Emergency Act of 1921, the requirement of disability has been temporarily removed in the case of destitute able-bodied persons out of employment.

4. *Classes of Persons Entitled to Relief.*

(a) *Permanent Provision*.—The classes of persons legally entitled to relief under the requirements of the permanent provisions were described by the legal member of the Local Government Board for Scotland in his evidence before the Poor Law Commission, 1905-1909, as follows:—

"All persons disabled by age or by mental or bodily infirmity from gaining a livelihood by working and having no means of subsistence; widows or deserted wives hurdened with children whom they are bound to support even though they may be able-bodied; and orphan pupil children (i.e., girls under twelve and boys under fourteen years of age). Those who, though wholly destitute themselves and otherwise proper objects of relief, have relations legally liable for their support and in a position to maintain them, are not entitled to be placed upon the permanent roll of poor, but have a right to temporary support, for which the parish may reimburse themselves from such relatives."

(b) *Temporary Provisions*.—Under the Emergency Act of 1921, relief may be granted to destitute able-bodied persons unable to obtain employment.

5. *The Central Authority and the General Administration of Relief.*

As in England, Poor Law relief in Scotland may be granted broadly in two forms:—

- (a) *Indoor relief*—a term applied in Scotland only to the maintenance of poor persons in a poor-house.
- (b) *Outdoor relief*—the maintenance out of the poor rates of all persons who are not relieved in a poor-house.

In Scotland, owing largely to the different principles underlying the treatment of the able-bodied under the permanent provisions of the Poor Law, the workhouse system has never assumed the same importance in the general system of relief as in England. Whereas in England, under the Poor Law Amendment Act of 1834, the Central Authority was invested with powers to compel Boards of Guardians to erect workhouses in their Unions, in Scotland, under the Act of 1845, the provision of poor-houses was left very largely to the discretion of Local Authorities. Although, as a result of pressure by the Central Authority since 1845, poor-house accommodation has been provided for the majority of parishes in Scotland, the present system of relief in Scotland is essentially one of outdoor relief.

At the same time, the Central Authority has from time to time issued circulars discouraging the grant of outdoor relief to certain classes of persons. These classes include generally all persons of idle, immoral or dissipated habits; persons having grown-up families settled either in this country or abroad; and persons having collateral relatives in comfortable circumstances.

These circulars, although not mandatory in character, have had considerable influence with Local Authorities in the administration of relief.

6. *The Local Administration of Relief.*

Subject to the general supervision of the Board of Health and to the right of appeal possessed by aggrieved applicants for relief under the permanent provisions of the law (see para. 7 below) Parish Councils exercise a wide discretion in the administration of relief similar in principle to that exercised by Boards of Guardians in England, and the amount of relief granted in any individual case is a matter entirely within their discretion. Their resources for testing the genuineness of applications are also generally similar. Investigation into the circumstances of individual applicants is made as far as possible before relief is granted by the Inspector of Poor and his assistants; periodical visits are paid by the Inspector of Poor to all persons in the parish in receipt of relief; particulars of relief granted to individuals are recorded—in some parishes a case paper system on the lines of the English system is in operation, but this is not universal. Finally, as in England, indoor relief may be offered as a test of destitution. There is, however, no power to impose a "work test," but under a recent provision Parish Councils may arrange for the employment of able-bodied applicants on works of public utility instituted by Local Authorities for the relief of distress due to unemployment, and may contribute towards the cost of such works. The arrangement is limited to works which are carried out by labour directly employed by the Local Authorities.

In one important respect the qualification for receipt of relief under the permanent provisions imposes upon a Parish Council, in the exercise of their discretion, a duty which does not fall upon a Board of Guardians in England, namely, that of satisfying themselves that an applicant is or is not under a disability to earn a livelihood. In practice this question has usually been determined by a medical examination, but the offer of the poor-house has been very generally made as a final test to persons in whose case there is doubt whether their disability renders them incapable of maintaining themselves and their dependants without parish relief.

As in England, the Poor Law is a service immediately accessible in case of emergency. In Scotland, however, the Inspector of Poor has not only the power to grant immediate outdoor relief in kind: he may also, upon his own initiative, grant money relief. He is liable to be indicted for manslaughter if an applicant to whom relief has been refused dies.

7. *Machinery of Appeal.*

If an applicant is refused all relief he has, under the Poor Law (Scotland) Act of 1845, a right of appeal to the Sheriff, who is then called upon to decide whether the applicant is entitled to relief, but has no duty to determine the amount of relief necessary. An applicant who objects to the amount or the nature of the relief offered by a Parish Council is entitled to complain to the Board, who, if satisfied that the complaint is well founded and if the ground of complaint is not removed by the Parish Council, may issue to the applicant a Minute entitling him to raise an action against the Parish Council free of expense in the Court of Session, the Court having power to determine the amount of relief. Pending the decision of the Court the Board have power to determine provisionally the amount of relief. On only two or three occasions since 1845 has it been necessary for the Board to issue a formal Minute, their decisions when communicated by letter, being generally accepted by Parish Councils.

In the case of relief to the able-bodied under the Emergency Act of 1921, there is no appeal to the Sheriff, the Parish Council's decision as to an applicant's claim to relief being final. If, however, the Parish Council admit the claim by granting either outdoor or indoor relief, the applicant is entitled in the manner described above to complain to the Board if aggrieved with the amount or the nature of the relief offered.

8. *Children and Special Classes of Persons.*

Parish Councils have substantially the same wide discretion in regard to the treatment of children and special classes of persons as that possessed by Boards of Guardians in England. In practice the majority of orphan and deserted children and children separated from their parents are boarded out in private dwellings.

9. *Medical Relief.*

Both indoor and outdoor poor, when sick, are entitled to medical relief, which includes medical attendance, medicines, nutritious diet, cordials and, in the case of the indoor poor, trained nursing. Parish Councils may also contribute to any public infirmary, dispensary, lying-in hospital or asylum for the blind or deaf and dumb.

10. *Review of Administration during the Period 1920-1923.*

The widespread industrial depression since 1920 has created even greater difficulties in Poor Law administration in Scotland than in England. The fundamental change in principle involved in the concession of a statutory right to relief to destitute able-bodied persons out of employment, while enormously widening the range of responsibility of the Poor Law Authorities, was not accompanied by any corresponding change in the machinery of relief, with the result that this machinery has had to cope with a situation which it was never designed to meet. The area of administration and of financial liability still remains the parish. The poor-house is equipped for the relief of the disabled and sick, and as already indicated there is no power to impose a "work test" such as is possessed by Boards of Guardians. Of the 870 parishes about 100 only are seriously affected by industrial depression; and as many of them are comparatively small the relief of distress has imposed a very heavy burden on the ratepayers and severely taxed their resources. The inequality of the local burden has been specially marked in cases where within the same area for other Local Government services there are two parishes—one industrial and heavily hit by unemployment, and the other residential and scarcely affected by it.

Unemployment has also had a reflex action on disabled persons seeking relief, the number of such being greatly in excess of the normal. The disabled, on the one hand, have had increased difficulty in finding work suited to their physical condition, while, on the other hand, their able-bodied sons and daughters, on whom they normally depend, have been unable to support them in consequence of reduced wages or exhaustion of their savings and other resources.

In spite of the difficulties with which they have been beset, Parish Councils appear to have met the situation in a fairly satisfactory manner, as will be seen from the following extract from the Annual Report of the Scottish Board of Health for the year 1922:—

"Generally speaking, the administration of unemployment relief has been conducted with care and discrimination. Only in a few instances did we find it necessary to draw attention to conduct on the part of Parish Councils that seemed to us to be ill-advised or subversive of the true principles of relief. In one case a Parish Council, in protest against the additional burden thrown on them during periods when no unemployment benefit was payable, refused to grant any relief to persons whose benefit had expired; but in response to our representations the Council agreed to revert to the normal procedure of dealing with each application on its merits. In a few instances we found it necessary to suggest to Parish Councils that they should give relief on a more generous scale. On the other hand, there was a tendency in certain parishes, with necessarily undesirable results, to afford relief on a more lavish scale than was being granted elsewhere, but, after correspondence and in some cases by interviewing deputations from the Councils concerned, we were

successful in checking that tendency and in securing that the relief afforded by them was reasonably uniform with that paid in neighbouring parishes. We also impressed on certain Parish Councils the necessity of taking proceedings against persons who had fraudulently obtained relief by making false statements or by concealing information as to their means. From time to time we urged the desirability of appointing additional outdoor investigators to pay frequent visits to the homes of those in receipt of relief."

As in England, the plea has been put forward that a man has a right to receive from public sources a particular income varying with the number of his dependants, and not infrequently the amount so claimed is considerably in excess of the wages earned by the independent labourer. Parish Councils found it expedient, therefore, in September, 1921, to confer together for the purpose of drawing up and adopting for general use a relief scale which took account of the whole income of the family from all sources. The scale then drawn up, popularly known as "the Board of Health Scale," appears to have been generally adopted by Parish Councils. The amounts payable thereunder were recognised as maxima and in practice a number of parishes, while adhering to the principles of the scale, found it unnecessary or inexpedient to pay relief up to the amounts specified therein. Cases of extravagance in which relief was given in excess of the scale have been comparatively few. Many parishes have now adopted a lower scale in consequence of the fall that has taken place in the cost of living since 1921.

CHAPTER II.

OLD AGE PENSIONS AND PENSIONS FOR THE BLIND.

(A) OLD AGE PENSIONS.

1. *Introductory.*

The statutory basis of the Old Age Pensions Scheme is the Old Age Pensions Act, 1908, as amended by the Old Age Pensions Acts, 1911 and 1919.

The scheme extends uniformly throughout Great Britain and makes provision for the payment of pensions adjusted to varying degrees of necessitousness, to all British subjects (men and women) of the age of 70 and upwards whose means fall below a certain standard and who satisfy certain further conditions laid down by statute. It is non-contributory in character and the entire costs of pensions granted and of administration are borne out of national taxation.

2. *Administration and Machinery.*

The responsibility for the administration of the scheme is shared between Central and Local Authorities.

The Central Authority charged with the general supervision of the administration of the scheme is the Treasury, who have delegated the executive work in this connection to the Board of Customs and Excise. Further, the Minister of Health in England and Wales and the Scottish Board of Health in Scotland are charged as Central Appeal Authorities with the duty of considering and deciding upon appeals from decisions of the Local Authorities.

The Local Authorities are the Local Pension Committees appointed in England and Wales by Borough and Urban District Councils for localities with a population of 20,000 or over and by all County Councils for areas outside the jurisdiction of the Borough and Urban District Councils, and in Scotland by the Royal and Parliamentary Burghs and Police Burghs for their areas, without limit of population, and by County Councils. The persons appointed to the Local Pension Committees need not be members

of the Council by which they are appointed. The chief duty of the Local Pension Committees is to consider and determine, in the first instance, all applications for Old Age Pension made by persons in their area.

The necessary enquiries into the means of an applicant for pension are made by the local Excise Officers who have been appointed under the Acts by the Treasury to be Pension Officers. In this capacity they continue to act under the supervision of the Board of Customs and Excise.

Applications for pension are made, in the first instance, to the Pension Officer, who investigates the claim and forwards it to the Local Pension Committee with a report. The Committee are required to hold a meeting within seven days of the receipt of a certain number of such reports. The claims are in general decided forthwith, subject to a right possessed by the Pension Officer and the applicant to appeal to the Central Pension (Appeal) Authority. A claim to payment of pension may be made four months before the date on which, in the claimant's opinion, he should become entitled to pension.

Payment of pensions is ordinarily made through the Post Office weekly, in advance, starting from the first Friday after the date on which the claim was received by the Pension Officer or after the date when the pensioner became entitled thereto, whichever is the later.

3. *Rates of Pension.*

The rates of pension payable vary with the yearly means of claimants in accordance with the following scale:—

Where yearly means	Rate of pension per week.
	s.
Do not exceed £26 5s.	10
Exceed £26 5s. but do not exceed £31 10s. ...	8
" £31 10s. " " " £36 15s. ...	6
" £36 15s. " " " £42 ...	4
" £42 " " " £47 5s. ...	2
" £47 5s. " " " £49 17s. 6d. ...	1

4. *General Conditions governing the Payment of Old Age Pensions.*

(a) *Qualifications.*—An applicant for Old Age Pension must satisfy the following conditions:—

(i) *Age.*—He must have attained the age of 70.

(ii) *Nationality.*—He must have been a British subject for at least 10 years before the submission of his application.

An exception to this condition is made in the case of the wife of an alien who would have fulfilled the condition but for her marriage with the alien.

(iii) *Residence.*—The claimant (a) if a natural born British subject must have resided in the United Kingdom for an aggregate period of at least 12 years since attaining the age of 50, (b) if not a natural born British subject must have resided in the United Kingdom for an aggregate period of at least 20 years.

In calculating these periods of residence, periods of absence from the United Kingdom in certain circumstances, such as absence in the service of the Crown, absence in service on board a vessel registered in the United Kingdom, temporary absence of periods not exceeding three months at a time, absence abroad during which the person was maintaining or assisting in maintaining dependants in the United Kingdom, may be regarded as periods of residence in the United Kingdom.

(iv) *Means.*—A claimant's yearly means as calculated under the Acts must not exceed £49 17s. 6d.

(b) *Calculation of Means.*—In the calculation of means for Old Age Pension purposes account has to be taken not only of property invested or otherwise put to profitable use and income in cash including voluntary

allowances, but also of the yearly value of any advantage from the personal use of property and of any benefit such as free board and lodging enjoyed by the claimant.

The only exceptions to this rule are that no account is to be taken of any amounts received during a period not exceeding three months in a year by a claimant or by the husband or wife of the claimant under a medical certificate as sickness benefit from a Friendly Society or Trade Union or under the National Insurance Act, 1911, or of any furniture and personal effects belonging to the claimant.

A special statutory rule is laid down for assessing the yearly value of property belonging to a claimant but not being personally used or enjoyed by him. The total capital value of such property is ascertained and from this total £25 is deducted. From the balance anything up to and including £375 is taken at one-twentieth of its capital value and anything above a total of £400 at one-tenth of its capital value. In the calculation of yearly means for Old Age Pension purposes, it is the capital value of such property, ascertained in the manner described, and not the income actually derived from the property, which is taken into account.

If a claimant is one of a married couple living together in the same house, the means of either the husband or the wife are regarded as one-half of the total means of the couple.

(c) *Disqualifications for receipt of Old Age Pensions.*—The following classes of persons are disqualified for the receipt of Old Age Pensions:—

- (1) Persons who are detained in lunatic asylums or are maintained in any premises as pauper or criminal lunatics;
- (2) Persons who, having been convicted of an offence and ordered to be imprisoned without the option of a fine, or to suffer any greater punishment, are detained in prison;
- (3) Persons of 60 years of age and upwards who have been ordered to be detained by a Court under the Inebriates Act, 1898, and have been disqualified by an order of the Court;
- (4) Inmates of any workhouse or other Poor Law Institution.

An exception to this disqualification is made in the case of a person entering the institution for medical or surgical treatment only. Such a person does not become disqualified until he has been an inmate for a period of three months. (Outdoor relief and Old Age Pension may be drawn concurrently for an indefinite period. Any sums received on account of out-relief are treated as means in calculating the rate of pension payable.)

(d) *Satisfaction of Conditions.*—The satisfaction of the statutory conditions upon which the receipt of a pension depends is ensured so far as is practicable through the investigation by the Pension Officer of every individual claim. Satisfactory proof of age is required from every claimant. Documentary proof is obtained, when possible, in the form of a certificate of birth or baptism or other document affording reliable evidence of age. In the investigation of a claimant's means the Pension Officer relies on the claimant's own statements, on his local knowledge, and on information obtainable from employers and from the Local Authorities, such as the Poor Law Authorities, and other Government Departments, such as the Ministry of Labour, who may have been assisting the claimant. In some cases members of the Local Pension Committee may have personal knowledge of the claimant and his circumstances.

(e) *Determination of Claims.*—Claims are reported by the Pension Officer, with a recommendation in the light of enquiries made, to the Local Pension Committee, whose duty it is to determine, in the first instance, whether the claim can be granted. Before they decide not to allow a pension in any case they are required to give the claimant an opportunity of being heard in person.

When the Committee has given its decision it is open to the claimant or Pension Officer if dissatisfied with the decision to appeal to the

Minister of Health (or Scottish Board of Health) within seven days of receipt of the notice of the Committee's decision. The Minister (or the Board) in these cases finally determines the claimant's right to a pension and the amount of pension payable under the conditions laid down by statute.

5. *Continuance of Old Age Pension and Revision of Rates of Pension.*

When a pension has been allowed, its continuance is at all times subject to continued fulfilment of the statutory qualifications, and the actual rate of pension to which the pensioner is at any time entitled varies with any variation in the pensioner's yearly means in accordance with the scale laid down by statute. Provision is made for the review of a pension by a Local Pension Committee on the application of a Pension Officer who has cause to believe that for any reason the pension should be disallowed or decreased in amount. An individual pensioner to whom a pension has been granted at a rate below the maximum rate may also make application for an increase in the rate on the submission to the Pension Officer of evidence to show that he may be entitled to an increase.

When in any case a Committee are considering the disallowance of a pension or a reduction of the rate of pension, they are required to give the pensioner an opportunity of attending the meeting of the Committee at which the matter is being considered. The Pension Officer and pensioners have the same rights of appeal to the Central Appeal Authority on any question arising as to the disallowance of pension or the revision of the rate of pension as in the case of an original application for grant of pension.

(B) PENSIONS FOR THE BLIND.

Under the Blind Persons Act, 1920, provision is made for granting pensions at the age of 50 to blind persons at the same rates and subject to the same general conditions as those applicable in respect of Old Age Pensions for persons of 70 years of age. A blind person in order to become entitled to such a pension must have been in residence in the United Kingdom for not less than 12 years since attaining the age of 30 and must be so blind as to be unable to perform any work for which eyesight is essential.

Note:—Special Provision for the Welfare of the Blind.—Grants from the Exchequer towards the Welfare of the Blind are paid on a capitation basis under the supervision of the Minister of Health in England and Wales and Scottish Board of Health in Scotland to voluntary agencies and Local Authorities in respect of certain services carried out on behalf of the blind. These services include the provision of workshops; assistance to homeworkers; the provision of homes for the incapable and unemployable and hostels for blind workers; home teaching and assistance in book-production.

CHAPTER III.

PROVISION ON ACCOUNT OF SICKNESS AND INFIRMITY.

SECTION I.—THE NATIONAL HEALTH INSURANCE SCHEME.

1. *Introductory.*

The statutory basis of the permanent scheme of National Health Insurance is the National Insurance Act, 1911, Part I. A number of amending statutes have been passed subsequently, the broad effect of which has been, on the one hand to simplify administration, to raise rates of contributions and benefits to accord with the change in money values consequent upon the War and generally to give greater financial stability

to the permanent scheme of insurance; and on the other hand to make emergency provision for the exceptional conditions arising out of the War and out of the abnormal unemployment prevailing since 1921. The most important of the emergency provisions designed to meet the special circumstances arising out of the industrial depression are contained in the National Health Insurance (Prolongation of Insurance) Act, 1921, passed originally for one year and afterwards continued in operation until the end of 1923. Its operation has now been further extended until the end of 1924.

The scheme extends uniformly to the whole of Great Britain, and is compulsory and contributory in character. Its purpose is to provide a scheme of insurance against loss of health and for the prevention and cure of sickness for all employed persons between the ages of 16 and 70 with unimportant exceptions. Maternity benefit for the uninsured wives of employed persons and medical benefit for persons over 70 years of age are also provided. While the insured person is in employment joint contributions are paid by him and his employer. In return he receives medical benefit, and during periods when he is unable to work owing to sickness or disablement, he receives benefits in the form of cash payments. The contributions are paid into separate National Health Insurance Funds for England, Wales, and Scotland respectively, and the cost of benefits is met partly out of these funds and partly by the State in fixed proportions. The extent of the benefits granted has been determined actuarially on the basis of the contributions paid by employers and workers and of the share in costs borne by the State. The emergency measures taken since 1921 have involved a temporary departure from the strict actuarial basis of the permanent scheme as originally settled. The additional burdens thus imposed, however, are being borne out of the funds ordinarily available under the permanent scheme.

The work of administration is conducted partly by Central Departments of State, assisted by specially created local machinery, and partly through voluntary organisations approved under statute for the purpose. The administrative expenses of the Central Authority are, with the exception of certain special items, borne by the State; the expenses of local administration are paid partly out of the several National Health Insurance Funds and partly by the State in fixed proportions.

2. Administration and Machinery.

The general responsibility for the administration of the National Health Insurance Acts rests in England and Wales with the Minister of Health,* and in Scotland with the Scottish Board of Health, who are charged by statute with the control and management of the National Health Insurance Funds in England and Wales and in Scotland respectively. The Central Authorities are also invested with special powers, among others, to determine, subject to a right of appeal to the High Court on a question of law, whether any person is within the scope of the National Health Insurance scheme, to make Special Orders excepting certain classes of employment from the operation of the scheme or, subject to the approval of the Treasury, bringing within the scheme persons engaged in any excepted employment, to exempt individual employed persons who satisfy certain conditions from the payment of the employed persons' contributions, and to approve the societies who may co-operate in the administration of the scheme.

* In Wales the powers of the Minister of Health in relation to the National Health Insurance scheme and to the Infectious Diseases, Maternity and Child Welfare, Tuberculosis and Venereal Diseases services are exercised through the Welsh Board of Health, a Board constituted under the provisions of section 5 of the Ministry of Health Act, 1919, and acting under the directions and instructions of the Minister of Health.

The administration of cash benefits under the scheme is, with some small exceptions, in the hands of Approved Societies. These Societies are voluntary organisations, which existed for provident or industrial purposes in many cases before the passing of the Act of 1911, and which have become approved for the purpose of undertaking State insurance business under the conditions laid down by statute. The most important of these conditions are that the Society shall be under the absolute control of its members, shall not be carried on for profit and shall exclude honorary members from voting on business under the Acts. All Approved Societies are administered under rules which have received the approval of the Central Authority. Each Society on approval retains its own identity, and is a voluntary, independent and often a purely local body. The principal types of Approved Societies are: (1) Friendly Societies with branches, (2) Centralised Friendly Societies without branches, (3) Industrial and Collecting Societies, (4) Trade Unions, (5) Employers' Provident Funds. There are in all 1,192 Approved Societies in Great Britain, of which 31 are societies with branches, the total number of branches being 7,266. From the point of view of membership, the most important group of Societies is that of the industrial and collecting Societies, which include nearly one-half of the total number of persons insured under the scheme.

An insured person may apply to any Approved Society for admission to membership for State insurance purposes. The Society has the right to reject an applicant, not, however, solely on the ground of age. In fact, practically all insured persons in Great Britain belong to Approved Societies, but special arrangements are provided for the administration of cash benefits under the scheme in the case of two relatively small classes of persons who are not members of Approved Societies. The first class consists of ex-service men who were not members of Approved Societies during their service with the Forces, and on discharge prove that the state of their health is such that they cannot obtain admission to Approved Societies. These men receive benefits out of a special fund—the Navy and Army Insurance Fund administered for the whole of Great Britain by the Minister of Health. The second class is that made up of the relatively few individuals, other than ex-service men discharged on account of wounds or sickness, who, in many cases, for reasons of personal choice, are not members of an Approved Society; they are known as deposit contributors.

The local administration of medical benefit is in the hands of Insurance Committees. In the case of members of the Navy and Army Insurance Fund and of deposit contributors the administration of cash benefits also is carried out through Insurance Committees. These are statutory corporate bodies set up in each County and County Borough,* with a membership varying from 20 to 40 made up as to three-fifths, of representatives of insured persons resident in the locality, and as to the remainder, of persons appointed by the County or Borough Council, of representatives of local medical practitioners, and of persons appointed by the Central Authority. The last group usually includes representatives of such organisations as Nursing Associations, Chambers of Commerce, and Agriculture and similar bodies. Provision is made for the appointment to the Committees of a proportion of women members, and pharmacists.

The Insurance Committees are responsible to the Central Authority.

The medical staff engaged in the administration of the National Health Insurance scheme includes a small supervisory staff at the headquarters of the Central Department; regional (in Scotland "district") medical officers appointed by the Central Authorities and allocated to territorial

* In Scotland there is an Insurance Committee for each county and for each burgh with a population of 20,000 and over. The membership of the Committees varies from 25 to 80.

divisions into which Great Britain is divided for administrative convenience, with the duty of examining insured persons referred to them for verification as to incapacity for work, and of advising local insurance practitioners on questions of medical treatment in individual cases where such advice is requested; and panels of local practitioners prepared by Insurance Committees for their areas, whose duty it is to provide medical attendance and treatment to which persons insured under the scheme are entitled. A comparatively small proportion of insured persons receive treatment and attendance through medical institutions approved for the purpose by the Central Authority. The local insurance practitioners provide in the main, the evidence of incapacity upon which the validity of claims to benefit under the scheme is established, but as indicated above such evidence may be subject to confirmation or otherwise by the regional medical officers.

The contributions of employers and employed persons are collected by means of stamps, sold at the Post Office, which must be affixed periodically to a contribution card issued half-yearly to every employed contributor. The responsibility for the affixing of the stamps rests with the employer who is allowed by statute to deduct the amount of the worker's contribution from wages. Records of contributions are maintained by Approved Societies in the name of individual contributors who are their members, or by the Central Authorities in the case of contributors who do not belong to Approved Societies. Records are also maintained on record cards issued to every insured person and brought up to date half-yearly.

The due payment of contributions is supervised by Inspectors of the Central Authority and is enforceable by prosecution before Courts of Summary Jurisdiction, who may impose fines for non-payment, and order the employer to pay the contributions outstanding.

Payment of cash benefits administered by Approved Societies takes place under arrangements made by the Societies themselves, and the method of payment varies with the type of Society. The most common methods of payment are by postal remittance, payment at a branch office of the society to the insured person or his representative, and payment at the insured person's residence by a local agent. The cash benefits of deposit contributors and of members of the Navy and Army Insurance Fund are paid direct from the offices of the Central Authorities by means of postal drafts.

Statutory provision is made for the settlement of disputes between a member of an Approved Society and his Society in the first instance by arbitration machinery provided by the Society itself under its rules, and subsequently on appeal by an independent referee or tribunal appointed by the Central Authorities (see para. 7 (f) below). Complaints by insured persons regarding difficulty in obtaining from their societies the benefits to which they believe themselves to be entitled are, however, in numerous instances settled by the informal intervention of officers of the Central Authority.

3. *Scope of the Scheme.*

The National Health Insurance scheme has, after the Poor Law, the widest scope of all schemes of social assistance now in operation. Broadly speaking, it covers in various ways practically the entire employed population of Great Britain of the age of 16 and upwards, and it is estimated that there are now about 15 million persons insured under the scheme.

Subject to the exceptions noted below, contributions must be paid in respect of every person between the ages of 16 and 70 engaged in any of the following classes of employment:—

- (a) Employment under a contract of service, or under a contract of apprenticeship with money payment. This covers almost all persons who work under the direction of an employer.

* In Scotland the greater part of the Highlands and Islands Area is served directly by the Headquarters Medical Staff of the Scottish Board of Health.

- (b) Employment as an outworker, i.e., a person who does work at home or in his own workshop for the purpose of the employer's business.
- (c) Employment in plying for hire with a cab, etc., which is hired from the owner.
- (d) Employment as an officer or servant of a Local or other Public Authority, except in certain special capacities.
- (e) Employment, subject to certain conditions, on a British ship.

Persons so employed in respect of whom contributions are paid are known as "employed contributors."

The more important of the excepted employments are:—

- (1) Employment otherwise than by way of manual labour at a rate of remuneration exceeding £250 per year.
- (2) Employment by husband or wife, and unpaid employment where the employer is a parent of, or maintains, the employé.
- (3) Employment as an agent in certain circumstances.
- (4) Employment as a teacher under certain conditions.
- (5) Casual employment except for the purposes of the employer's trade or business, or (in the case of persons engaged or paid through a club) for the purposes of a game or recreation.
- (6) Employment of a class which has been specified in a Special Order issued by the Central Authority as being ordinarily adopted as subsidiary employment only, and not as the principal means of livelihood.
- (7) Employment:—

- (a) in the service of the Crown;
- (b) in the service of local or other public bodies;
- (c) in the service of a railway or other statutory company as a clerk or salaried official with a title to rights in a superannuation fund established by Act of Parliament;

when the Central Authority have certified that the terms of the employment secure benefits for sickness and disablement of at least equal value to those given under the National Health Insurance scheme.

Contributions cease to be payable in respect of an insured person who has attained the age of 70. Such a person continues, however, subject to certain conditions, to be entitled to medical benefit throughout life.

Certificates of exemption may be granted by the Central Authority to:—

- (1) Persons with a pension or independent income of at least £26 a year.
- (2) Persons ordinarily and mainly dependent for their livelihood on some other person.
- (3) Persons ordinarily and mainly dependent for their livelihood on earnings derived from an occupation which is not employment within the meaning of the Acts.
- (4) Persons only intermittently employed within the meaning of the Acts.

Holders of such certificates are exempted from payment of the employee's contributions, but their employers continue to be liable for the employers' contributions, in respect of them. Exempt persons are not eligible for the receipt of benefit other than medical benefit.

In addition, provision is made for continuance in insurance under the scheme of persons who, after having been insured as employed contributors for a given period, have ceased to be engaged in insurable employment.

Such persons pay for themselves the ordinary contributions of employers and workers under the scheme; they are known as voluntary contributors.

4. *Rates of Contributions.*

The weekly rates of contributions at present in force in ordinary cases are: employer's contribution, 5*d.*; employed person's contribution, (a) men, 5*d.*; (b) women, 4*d.* In the case of certain classes of low wage earners the

amount of the employer's contribution is increased and the amount of the worker's contribution decreased proportionately. The contributions are payable for every week (running from Sunday midnight to Sunday midnight) during the whole or any part of which the worker is employed. Contributions are not required for any week during which an insured person renders no service and receives no remuneration or during which an insured person is prevented by specific disease or bodily or mental disablement from doing any work and receives sickness or disablement benefit; and for the purposes of reckoning arrears the insured person is treated as though contributions had been paid in respect of him during weeks of incapacity. Where an insured person is out of work the ordinary rates of contribution are not payable, but the insured person may make a special cash payment to make good any arrears so accruing and in this way may escape reduction of benefits on account of arrears of contributions (see para. 7 (c) below).

The State does not pay direct contributions to the National Health Insurance Funds, but it provides two-ninths of the sums required for the provision of benefits under the scheme and for the administration of these benefits through Approved Societies and Insurance Committees.

5. Forms and Ordinary Rates of Benefit.

The benefits to which insured persons in Great Britain are entitled are:—

- (a) Medical Benefit.—Free medical attendance and treatment together with the provision of proper and sufficient medicines and such medical and surgical appliances as may be prescribed by the regulations of the Central Authorities. The treatment which a practitioner is required to give covers only such treatment as is of a kind which can, consistently with the best interests of the patient, be properly undertaken by a general practitioner of ordinary professional competence and skill. It does not include hospital treatment, nor treatment or attendance in respect of confinement.
- (b) Sickness Benefit.—Periodical money payments to an insured person during incapacity for work caused by some specific disease or by bodily or mental disablement up to a maximum of 26 weeks.

The ordinary rates of full sickness benefit are 15s. a week for men and 12s. a week for women.

- (c) Disablement Benefit.—Cash payments during incapacity for work continuing after 26 weeks' sickness benefit has been exhausted. The ordinary rate of full disablement benefit for both men and women is 7s. 6d. a week.
- (d) Maternity Benefit.—A payment normally of 40s. made to the wife of an insured man (or in the case of posthumous birth to the widow of an insured man), or to a woman who is herself insured, upon confinement. Two maternity benefits are payable to an insured married woman, one from her own insurance and one from her husband's insurance, or two from her own insurance if her husband is not insured, or, being insured, is not qualified for benefit.
- (e) Additional Benefits.—Benefits provided for members of Approved Societies which have accumulated surplus funds revealed by valuation as at 31st December, 1918, and certified to be disposable. These benefits take the form either of increased rates of cash benefits or of payment in whole or in part of the cost of one or more specified benefits in kind, such as dental treatment, hospital treatment, medical and surgical appliances other than those included in medical benefit or optical treatment and appliances. Additional benefit schemes, which are subject to the approval of the Central Authorities, are now in operation in Approved Societies with a membership of over 14 million

though not all members are entitled to additional benefits. Under these schemes some societies have increased sickness benefit by as much as 5s. per week, disablement benefit by 2s. 6d. per week, and maternity benefit by 10s.

The ordinary rates of sickness, disablement, and maternity benefit are subject to reduction in certain circumstances—see para. 7 (c) below.

6. *Conditions governing the Administration of Medical Benefit.*

A person is entitled to medical benefit immediately he becomes insured, and he continues to be so entitled until the end of the half-year following that in which for any reason his insurance lapses (see para. 7 (d) below). An insured person on attaining the age of 70 ceases to be entitled to sickness and disablement benefits but retains his right to medical benefit provided that he has paid while in insurance at least 27 contributions.

7. *The Administration of Cash Benefits under the Permanent Scheme.*

(a) *Periods of Sickness and Disablement Benefits—Waiting Period.—Continuity of Sickness.*—Sickness benefit is payable for a period or periods not exceeding 26 weeks of illness. There is no limit to the period of payment of disablement benefit, subject to cessation at the age of 70, so long as the insured person continues to be totally incapacitated. The right to sickness benefit after the exhaustion of a period of 26 weeks does not revive until an interval of one year entirely free from incapacitating illness (other than a confinement in the case of a woman) has elapsed. An insured person who has exhausted sickness benefit, and who becomes incapacitated at any time within the following 12 months is therefore entitled to disablement benefit only.

In the case of sickness benefit, provision is made under the scheme for a waiting or qualifying period of three days before the commencement of benefit payments. Payment of sickness benefit thus starts on the fourth day of certified incapacity.

For the purpose of calculating the period of 26 weeks for which sickness benefit is payable, detached periods of illness separated from each other by intervals of less than 12 months are linked together and treated as a period of continuous illness. Accordingly upon a recurrence of illness within 12 months of recovery from a previous illness benefit is payable immediately.

For the purpose of determining the date of commencement of sickness benefit, the first day on which a person is prevented by illness from doing any effective work is considered to be the first day of incapacity, but Sunday is not included as a day of incapacity in determining the waiting period unless the insured person would, if he had not been ill, have worked on that day.

(b) *General Qualifications for Receipt of Cash Benefits.*—(1) *Sickness Benefit.* The statutory conditions for the receipt of sickness benefit by an insured person are:—

- (i) that the insured person is rendered incapable of work* by some specific disease or by bodily or mental disablement;

* As regards the interpretation placed upon the term "incapable of work" is the course of administration, an insured person has been regarded as incapable of work when so is in such a condition, through some specific disease or bodily or mental disablement, that an attempt to work would be seriously prejudicial to his health, and also when he is unable to follow his ordinary occupation owing to an illness, which, though perhaps not totally disabling him is likely to be of short duration only, and when it would be unreasonable to expect him to undertake any other form of work in the meantime. In a case where it is clear that a person has become permanently incapacitated from resuming his ordinary occupation the normal criterion of incapacity is inability to perform any other suitable kind of remunerative work, and a person would not normally be certified as "incapable of work" in such circumstances unless in the doctor's opinion he was physically unable to perform any other suitable kind of remunerative work.

- (ii) that at least 26 weeks have elapsed since his entry into insurance and 26 contributions have been paid in respect of him. (Benefit at the full rates does not, however, become payable until the insured person has been in insurance for a further period and further contributions have been paid in respect of him—see Section (c) of this para. below.)
- (iii) that notice of the illness is given within three days of its commencement.

If notice is delayed until after the third day, benefit does not commence until the day following the date of notice. An insured person is, however, not deprived of benefit under this provision if he can show that he was not reasonably able to give notice earlier than he did.

(2) **Disablement Benefit.** Disablement benefit becomes payable if incapacity continues after sickness benefit has been received for a period of 26 weeks. The conditions for the receipt of disablement benefit are in general the same as for the receipt of sickness benefit, with the additional conditions, however, that it is not payable until a person has been in insurance for 104 weeks and has paid 104 contributions.

(3) **Maternity Benefit.** The qualifying conditions for the receipt of maternity benefit are that the person in respect of whose insurance the benefit is claimed has been insured for at least 42 weeks and 42 weekly contributions have been paid in respect of him or her. For the purpose of this benefit, confinement means the delivery of a living child or the delivery of a child whether alive or dead after 28 weeks of pregnancy.

(c) *Special Circumstances determining the Amount of Benefit payable.*—The conditions set out in Section (b) above are general conditions governing the initial admission of a claim to cash benefits. After the satisfaction of these preliminary conditions further conditions determining the right to benefit at any given moment and the amount of the benefit payable become operative.

(1) **Reduced rates of sickness benefit.**

The full rates of sickness benefit, viz., 15s. for men and 12s. for women, do not become payable until a person has been insured for 104 weeks and 104 weekly contributions have been paid in respect of him or her. Until these conditions have been satisfied, sickness benefit is only payable at the reduced rates of 9s. for men and 7s. 6d. for women.

An insured person may, if he desires, pay full weekly contributions for the period during which he has been in receipt of sickness benefit and for weeks of incapacity continuing after such benefit has ceased to be payable, and also for weeks of genuine unemployment, in order to qualify for receipt of sickness benefit at the full rate or of disablement benefit, but payment of such contributions can be made only during the contribution year in which the illness or unemployment occurred or in the period allowed to members for payment of penalties in respect of arrears of contributions for that year (see following section) and so far as is necessary to complete 104 contributions.

(2) **Suspension of benefit or reduction of rates on account of arrears of contributions.**

The cash benefits payable to an insured person during a benefit year (commencing on or about the first Monday in the calendar year) are determined in general by the number of contributions paid during the preceding contribution year (ended at or about the commencement of the previous July). The payment of a total of less than 26 contributions for a contribution year ordinarily entails suspension from all cash benefits during the following benefit year. If the contributions for a contribution year number between 26 and 47 inclusive, maternity benefit is payable in full, but sickness and disablement benefit are reduced according to a sliding scale. These arrears may, however, be redeemed by small cash payments, known as arrears penalties, which are required to be made by the insured person within a specified period after the end of the contribution year.

The reduced rates of benefit consequent upon accumulated arrears and the amounts payable as penalties to cancel the arrears and to entitle the insured person to receipt of benefits at the full rate are set out in the following table:—

No. of Contributions (including Weeks of Sickness).	Rates of Benefit (after 104 weeks of insurance and payment of 104 contributions).			Arrears Penalty,* being the appropriate sum to secure full benefits.	
	Sickness Benefit.		Disablement Benefit.		
	Men.	Women.	Men and Women.	Men.	Women.
	s. d.	s. d.	s. d.	s. d.	s. d.
45-47	14 0	11 0	7 0	1 0	1 0
42-44	13 0	10 0	6 6	2 0	2 0
39-41	12 0	9 0	6 0	3 0	3 0
36-38	11 0	8 0	5 6	4 0	4 0
33-35	10 0	8 0	5 0	5 0	4 0
30-32	9 0	7 0	4 6	6 0	5 0
26-29	8 0	7 0	4 0	7 0	5 0
25 and under ...	Nil	Nil	Nil	12 0	9 0
and Maternity Benefit suspended.					

* The scale of arrears penalties for voluntary contributors differs from that set out above.

The rates of sickness benefit payable to insured persons who have not completed 104 weeks of insurance and paid 104 contributions are reduced proportionately on account of arrears. The rates payable to them are set out in the following table:—

No. of Contributions (including Weeks of Sickness).	Rates of Sickness Benefit (after payment of 26 contributions) until 104 contributions have been paid.	
	Men.	Women.
	s. d.	s. d.
45-47	8 6	7 0
42-44	8 0	6 6
39-41	7 6	6 0
36-38	7 0	5 6
33-35	6 6	5 0
30-32	6 0	4 6
26-29	5 6	4 0

Arrears are not incurred in respect of any period of duly notified incapacity for work, nor, in the case of a woman, for a period of two weeks before and four weeks after confinement.

For the purpose of calculating the arrears of new entrants into insurance, contributions are deemed to have been paid during the period between the commencement of the contribution year and the date of entry. Such insured persons are therefore ordinarily entitled to receive sickness benefits under the scheme (at the reduced rates payable to persons who have not paid 104 contributions) as soon as they have been insured for 26 weeks and 26 weekly contributions have been paid in respect of them.

(3) Reduction of rates of benefit on account of payment of war pensions.

While an ex-service man is in receipt of 100 per cent. pension in respect of a disability resulting from the late War, or of allowance in lieu of

pension during treatment or training, the rate of sickness or disablement benefit is reduced by 7s. 6d. a week unless and until:—

- (i) in the case of sickness benefit he has been in insurable employment for a period of at least 26 weeks and 26 contributions have been paid in respect of him since his discharge from the Forces;
- (ii) in the case of disablement benefit he has been in insurable employment for a period of at least 104 weeks and 104 contributions have been paid in respect of him since his discharge.

No account is taken of any arrears accruing during the above period of reduction of benefit.

There is no reduction of benefit on account of a partial disability pension.

(4) Adjustment of rates of benefit on account of payment of compensation or damages.

Where an insured person is receiving compensation or damages in respect of incapacity due to an accident, sickness or disablement benefit is not payable if the weekly amount of the compensation or damages is equal to, or in excess of, the rate at which the benefit would have been paid. If the compensation is less than the appropriate rate of benefit, the amount of the difference is paid as sickness or disablement benefit.

(d) *Disqualification for the Receipt of Benefit and Termination of Insurance.*—An insured person ceases to be qualified for the receipt of cash benefits in the following circumstances:

- (i) *Absence from United Kingdom.*—Benefits are not payable during an insured person's absence from the United Kingdom except in certain special circumstances.
- (ii) *Attainment of the age of 70.*—Sickness and disablement benefits cease to be payable on attainment of the age of 70. (The right to medical benefit, however, continues.)

An insured person who ceases to be employed remains entitled to all the benefits of the Acts for a year after the end of the week in which his employment ceases, and in calculating this year no account is taken of any period of notified incapacity. When the year has expired the person ceases to be insured and (if a member of an Approved Society) to be a member of a society and is entitled to no further benefits except medical benefit, the right to which continues until the end of the half-year following that in which he ceases to be insured.

In the case of disabled ex-service men receiving training under the Industrial Training Scheme of the Ministry of Labour, the period of a year is extended where necessary for twelve months, or till two months after completion of training, whichever is earlier.

(e) *Satisfaction of Conditions of Entitlement to Cash Benefits.*—The responsibility for ensuring that claimants to cash benefits satisfy the statutory conditions rests with Approved Societies in respect of their members and with the Minister of Health in the case of members of the Navy and Army Insurance Fund. The administration of the benefits of deposit contributors is by statute entrusted to Insurance Committees: but as the contribution and benefit records of these contributors are kept by the Central Department there is in practice a division of responsibility. The Insurance Committee examines the evidence of incapacity and, if satisfied, certifies the claim for payment by the Central Authority subject to the requirements as to qualifying contributions being fulfilled, and, to the balance in the contributor's account being sufficient to meet the payment. The procedure to be followed by insured persons in making claims is laid down in the rules of the Approved Societies and Insurance Committees which are subject to the approval of the Central Authorities.

(f) *Payment of Contributions.*—Contribution and benefit records are maintained in the name of each insured person, in the case of an approved society by the Approved Society, and in the case of a deposit contributor

or a member of the Navy and Army Insurance Fund by the Central Authorities and every fresh claim to benefit is checked by reference to these records.

(2) *Proof of Incapacity for Work.*—In determining whether a claimant is in fact incapacitated for the purpose of sickness and disablement benefit, Approved Societies and Insurance Committees are ordinarily guided by the certificates issued by the insurance doctors on the local panels. The rules of Approved Societies and of Insurance Committees as to the procedure to be followed by persons claiming benefit differ somewhat in detail. They provide generally, however, that notice of incapacity is to be given as soon as possible after the commencement of the illness, and ordinarily an insured person who becomes incapable of work is required to obtain from his local insurance doctor on the first day of illness a certificate of incapacity for work, stating the specific disease or bodily or mental disablement which renders him incapable of work. With this certificate is incorporated a notice of sickness which must be filled up by the insured person. The certificate and notice must then be forwarded without delay to the claimant's Approved Society or Insurance Committee as the case may be. Further intermediate certificates of incapacity are ordinarily required to be obtained weekly and sent to the Society or Committee (even when benefit is not payable) throughout the continuance of the incapacity. If in any case an Approved Society is not satisfied with the opinion of the local insurance doctor it may refer for a second opinion to the Regional Medical Officer of the Ministry of Health or District Medical Officer of the Scottish Board of Health.

Provision is further made by the rules of Approved Societies and Insurance Committees for the conduct of insured persons during sickness. They are required to obey the instructions of the doctor attending them and in general are prohibited from performing any work; they must be at home between certain hours; they must not leave home without permission, and they must generally refrain from conduct likely to impede recovery.

(3) *Determination of Claims.*—Claims to benefit are dealt with in the first instance by the Approved Society of which the claimant is a member, or in the case of deposit contributors, or members of the Navy and Army Insurance Fund, by the local Insurance Committee. In the case of a dispute arising between a member and his Society, the matter is dealt with in the first place under the internal arrangements of the Society itself. Societies are required as a condition of approval to make arrangements for the settlement of disputes, and these arrangements usually include provision for the submission of a question in dispute to an arbitrator. If either party to the dispute is dissatisfied with the arbitrator's decision it is open to the party so aggrieved to apply to the Ministry of Health for leave to appeal. If leave is granted the matter is referred to an independent referee appointed by the Central Authorities whose decision is final and conclusive. In Scotland appeal may be made without a preliminary request for leave.

3. *Arrangements for the Administration of Benefit in Special Cases.*

Special arrangements apply to the payment of benefits to the following classes of persons.

(a) *Inmates of Institutions.*—While an insured person is an inmate of an institution maintained or supported by voluntary contributions or by a charity or out of public funds, sickness or disablement or maternity benefit may not be paid direct to him or her. It may, however, be applied at the discretion of his Society in the following ways:—

- (i) In payments to his dependants (if any);
- (ii) In payments, for the insured person's advantage, towards defraying any expenses (e.g. rent, insurance or club premiums, clothing or additional nourishment) for which he may become liable otherwise than to the institution;

- (iii) In payments to the institution, provided it is not one maintained out of public funds:

Any part of the benefits not applied in these ways becomes payable to the insured person on his discharge from the institution, or if he dies becomes part of his estate.

(b) *Married Women*.—Women who marry and give up employment cease to be eligible for the ordinary cash benefits, but are placed on a special scale of benefits (Class K) consisting of:—

- (i) Sickness or disablement benefit at the rate of 7s. 6d. a week for not more than six weeks in all during the year following the definite cessation of work.
- (ii) A single maternity benefit, ordinarily of 40s., but subject to reduction for arrears, payable for the first confinement occurring after the change of class and within two years of marriage.

Women transferred to Class K also retain their title to medical benefit for a limited period. For the purpose of transfer to this special class a woman is ordinarily treated as having given up work if she is unemployed otherwise than by reason of illness for 8 consecutive weeks immediately before or during the year following marriage.

(c) *Merchant Seamen*.—Sickness and disablement benefits are not payable to a merchant seaman for any period in which the shipowner is liable to provide medical attendance and maintenance under the Merchant Shipping Act, 1894. If, however, the owner is not liable to pay wages, e.g. if the seaman is ill in hospital abroad, the amount of the benefit may be paid in whole or in part to the man's dependants.

(d) *Application of the Scheme to Sailors, Soldiers and Airmen*.—With unimportant exceptions all sailors, soldiers and airmen are insured during service, the whole contribution being now paid by the State. During service the only benefit payable is maternity benefit. On discharge from the forces a man resumes his rights to all the ordinary benefits under the Acts (except in the case of a man discharged with a 100 per cent. war pension (see para. 7 (c) (3) above) either as a member of an Approved Society or as a deposit contributor. If, however, a man, not already a member of an Approved Society, is discharged from the forces on account of sickness, wounds, or disease, and can prove that the state of his health is such that he cannot obtain admission to an Approved Society he is entitled under certain conditions to become a member of the Navy and Army Insurance Fund, administered directly by the Ministry of Health.

9. *Emergency Provisions.*

As a result of the depression in trade which set in towards the end of 1920, it became clear in the course of the year 1921 that large numbers of persons insured under the National Health Insurance Acts who had hitherto been in regular employment would pass out of insurance on account of their having been unemployed continuously for a year; and further that a much higher proportion than usual of the insured population would be in arrears with their contributions and that in consequence a very large number of persons would, on account of arrears, be wholly disentitled to cash benefits during subsequent benefit years.

To meet this situation emergency provision has been made operative since 1921 to give relief in various directions to persons insured under the scheme.

(a) *Prolongation of Insurance of Members of Approved Societies.*—By the National Health Insurance (Prolongation of Insurance) Act, 1921, the statutory provisions of the permanent scheme under which persons pass out of insurance after a year of unemployment have been temporarily suspended in respect of insured members of Approved Societies who satisfy certain conditions:—

- (i) That in the case of a person who entered insurance on or before 1st July, 1918, at least 80 contributions have been paid for the two contribution years ending 4th July, 1920.
- (ii) That in the case of a person who entered insurance after 1st July, 1918, a number of contributions have been paid equivalent to at least three-fourths of the number of weeks either in the period between the date of entry into insurance and 31st December, 1920, or in the period between the date of entry and the date of ceasing work.
- (iii) That the Society of which the insured person is a member is satisfied that he has not, since the date on which he ceased insurable employment, taken up some occupation which is not employment within the meaning of the National Health Insurance Act.

(b) *Retention in Insurance of Married Women Members of Approved Societies.*—By the same Act married women who, owing to inability to obtain work, have completed eight consecutive weeks of unemployment within a year of their marriage and would normally have been placed on the special class (Class K) of benefits (*see* para. 8 (b) above) have been retained in ordinary insurance if they can satisfy their Approved Societies that they did not give up work voluntarily and that since ceasing work they have been available for work but unable to obtain employment.

(c) *Modification of Provisions as to Arrears.*—By Regulations made in virtue of powers conferred upon the Central Authorities under the permanent scheme:—

- (i) it has been provided that all persons insured as employed contributors (including members of the Navy and Army Insurance Fund) whose contributions for either of the years ended 3rd July, 1921, 2nd July, 1922, and 1st July, 1923, fall below 26 by reason of inability to obtain work, who can show that they have previously been in more or less regular employment by satisfying the contribution test laid down in the National Health Insurance (Prolongation of Insurance) Act, 1921 (*see* sub-paragraph (a) above), should be treated as if the number of contributions for the year was 26. In this way such persons have been made eligible for cash benefits on the lowest scale in the table set out in paragraph 7 (c) above in addition to maternity benefit in full and, in the case of members of Approved Societies, to any additional benefits provided out of the Society's valuation surplus to which they would ordinarily have been entitled. Moreover it has been possible for such persons to qualify for full benefits by the payment of smaller arrears penalties than would otherwise have been required.
- (ii) A liberal extension of time has been allowed for the payment of arrears penalties in respect of the contribution years 1920-1921, 1921-1922, 1922-1923.

Questions arising under the emergency provisions are determined by the same procedure and machinery as questions arising under the permanent scheme and the same rights of appeal are possessed by insured persons in respect of claims under the emergency provisions as under the permanent scheme.

SECTION 2.—THE INFECTIOUS DISEASES SERVICE (HOSPITALS).

A. England and Wales.

Hospitals for acute infectious diseases are provided and maintained by Local Authorities as part of the public health services of the country. Outside London the provision is made by the Local Sanitary Authorities, i.e., Town Councils, Urban District Councils, Rural District Councils and Port Sanitary Authorities under the Public Health Act, 1875, or by Joint Boards or Joint Committees of Local Sanitary Authorities constituted under the Public Health Act, 1875, and the Isolation Hospitals Acts, 1893 and 1901, respectively. The provision of such hospitals marked the first step in point of time in this country towards the gradual specialisation of public health services provided by Local Authorities outside the Poor Law.

The provision of hospitals is discretionary, but accommodation for the treatment of infectious diseases has now been provided in practically all large centres of population and in many rural areas. The diseases usually treated are scarlet fever, diphtheria, enteric fever, and small pox; other diseases such as whooping cough, measles, cerebro-spinal fever, may also be treated if there is sufficient accommodation.

The cost of establishing and maintaining the hospitals is borne entirely by Local Authorities without aid from the National Exchequer (except in the case of Port Sanitary Authorities who are entitled to a grant from funds voted by Parliament equal to 50 per cent. of their approved net expenditure). The expenses of maintaining a patient (other than a pauper patient) admitted to such a hospital may be recovered from the patient. Recovery is, however, discretionary, and many Local Authorities make no charge to a patient in respect of his maintenance. Where a charge is made, it usually represents only a proportion of the actual cost of maintenance.

In estimating capacity to pay contributions towards cost of maintenance, Local Authorities rely mainly on the statements of the patients themselves and on the information generally available as to the patients' position in life; no special investigation into the financial circumstances of individuals is made as a rule.

In the case of pauper patients, i.e., patients admitted to hospital on an order of the Poor Law Authorities or their officers, the costs of maintenance are recovered from the Poor Law Authorities.

In London, Isolation Hospitals are provided by the Metropolitan Asylums Board.

In the case of a patient admitted to a hospital of the Metropolitan Asylums Board there is no provision for the recovery from him of any part of the cost of his maintenance.

B. Scotland.

Hospitals for acute infectious diseases are provided and maintained in Scotland, as in England and Wales, by the Local Authorities, i.e., Town Councils, District Committees in Counties divided into Districts, and County Councils in undivided Counties, or by combinations of these authorities under the Public Health (Scotland) Act, 1897.

The provision of hospitals for infectious diseases in Scotland is in the first place discretionary, but the Public Health Act gives the Scottish Board of Health power to require a Local Authority to provide an infectious diseases hospital, or to require two or more Local Authorities to combine for such purpose. Accommodation for the treatment of infectious diseases has now been provided for all large centres of population and for most rural areas. The diseases usually treated are the same as those treated in England and Wales.

The cost of establishing and maintaining infectious diseases hospitals is borne entirely by Local Authorities without aid from the National

Exchequer, with an exception as in England and Wales in the case of Port Sanitary Authorities.

Local Authorities have no statutory power to recover the cost of treatment in an infectious diseases hospital from a patient or his relatives or, in the case of a pauper patient, from the Poor Law Authority.

SECTION 3.—MATERNITY AND CHILD WELFARE SERVICE IN ENGLAND AND WALES AND SCOTLAND.

1. *Introductory—General Description of Service.*

The statutory basis of the Maternity and Child Welfare service in England and Wales is the Maternity and Child Welfare Act, 1918, which gives Local Authorities power to make such arrangements as are approved by the Minister of Health for attending to the health of expectant and nursing mothers and of children under five years of age who are not being educated in schools recognised by the Board of Education. In Scotland the statutory authority is contained in the Notification of Births (Extension) Act, 1915, which confers on Local Authorities powers for the formation of schemes similar to those conferred by the Act of 1918 in England and Wales.

The schemes under the Acts are designed to form part of the general public health services of the country. The provision made under it, while mainly educational and preventive in character, includes certain forms of assistance in kind for individuals whose state of health places them in need of the services provided. The whole cost of the educational and preventive services is borne either out of public funds or partly out of public funds and partly out of charitable funds contributed to voluntary bodies co-operating in the working of the scheme; the cost of the assistance in kind granted to individuals is similarly borne in the first instance, but may be recovered in whole or in part from the recipients according to their means, at the discretion of the Authority administering the service. One half of the approved net expenditure is met out of local rates or voluntary funds, and one half out of grants from the National Exchequer.

The Acts enable provision to be made for the grant of assistance in kind from public funds to mothers and infants, not perhaps destitute in the fullest sense of the term, but necessitous to the point of inability to obtain the full treatment and nourishment, the provision of which is regarded, in the light of modern medical science as indispensable to the interests of the general health of the community. Certain forms of assistance in kind granted under this scheme might be, and in a number of cases actually are, provided also under the Poor Law.

2. *Administration and Machinery.*

Responsibility for the administration of the service is shared between Central and Local Authorities.

The Central Authority for England and Wales is the Ministry of Health and for Scotland the Scottish Board of Health. The Central Authorities exercise, through the administration of the grants in aid made from the National Exchequer towards the expenditure out of public funds under the service, a general supervisory control over the work of the Local Authorities.

The Local Authorities in England and Wales are the County Councils, County Borough Councils and the Councils of non-County Boroughs, and Urban and Rural Districts which are known collectively as County Districts; the Local Authorities in Scotland are the County Councils (in counties undivided into districts), Town Councils and District Committees specially formed for administrative purposes. In England and Wales concurrent powers are possessed by County Councils and Councils of County Districts. In general, however, County Councils have adopted comprehensive schemes for the districts in their counties other than the larger non-County Borough and Urban Districts, the Councils of which by reason of their population and number of births can properly form

separate units for these services, and in which the Local Authorities have in most cases made separate arrangements. In Scotland many combinations of District Committees and Town Councils have been formed for a similar object.

In all cases in England and Wales a Local Authority exercising powers under the Maternity and Child Welfare Act, 1918, must appoint a Maternity and Child Welfare Committee. This Committee must include at least two women. Two-thirds of its members must be members of the nominating Council. The remainder need not be members of the Council but any persons appointed to such a Committee who are not members of the Council must be specially qualified by training or experience in subjects relating to health and maternity. The Maternity and Child Welfare Committee works in an advisory capacity in co-operation with the Public Health Committee of the Local Authority. The nominating Council may delegate to the Maternity and Child Welfare Committee any of its powers other than rate-levying and borrowing powers. The extent to which Councils have availed themselves of this power of delegation varies in different districts. In Scotland under the 1915 Act it is not obligatory on the Local Authority to appoint such a Committee, but many authorities have in fact set up such Committees as a matter of administrative convenience.

As a general rule the Medical Officer of Health of the Local Authority is responsible for the supervision of the Maternity and Child Welfare service. The executive medical work is carried out either by whole-time Medical Officers specially appointed by the Local Authority or by general practitioners. A number of County and County Borough Councils have appointed assistant Medical Officers, frequently women, to assist the Medical Officer of Health generally in work under the scheme. All Local Authorities who have accepted responsibilities under the service have also appointed women health visitors who assist in the carrying out of the local schemes in a number of directions. Health visitors are in many cases trained nurses or midwives or both and they frequently in country districts combine the functions of Health Visitor, Tuberculosis Visitor, School Nurse, District Nurse and Midwife. In populous districts greater specialisation is necessary, but Local Authorities in appointing Health Visitors seek generally to combine in one person as many public health functions as possible.

3. *Services provided.*

The Central Authorities have sanctioned under Regulations the provision of the following classes of services for the purpose of grants from the National Exchequer.

- (a) Services mainly educational and preventive in character.
 - (i) Inspection of midwives by inspectors appointed by Local Authorities (being Supervising Authorities under the Midwives Acts).
 - (ii) Home visiting by qualified Health Visitors.
 - (iii) Provision of welfare centres, institutions providing all or any of the following services:—medical supervision and advice for expectant and nursing mothers, and for children under five years of age, and medical treatment at the centre for cases needing it.
 - (iv) Provision of arrangements for instruction in the general hygiene of maternity and childhood.
 - (v) Provision of crèches and day nurseries.
 - (vi) Experimental work for the health of expectant and nursing mothers carried out by Local Authorities or voluntary agencies.
- (b) Services involving provision of assistance in kind.
 - (i) Provision of midwives for necessitous women and for areas which are insufficiently supplied with this service.

- (ii) Provision for necessitous women of a doctor for illness connected with pregnancy and for aid during the period of confinement for mother and child.

The arrangements made may include provision of qualified home nurses for maternity cases and for certain infectious diseases in young children, and of home helps to undertake ordinary domestic duties while the mother is incapacitated by reason of her confinement.

- (iii) Provision of treatment in homes or hospitals for complicated cases of confinement or complications arising after parturition, and for ordinary maternity cases which in the opinion of the Medical Officer of Health, cannot with safety be confined in their own homes.
- (iv) Provision of treatment in homes or hospitals for children under five years of age found to need in-patient treatment for certain infectious diseases.
- (v) Provision of nourishment in necessitous cases for expectant mothers, nursing mothers and children under five years of age. The provision made under this heading consists almost entirely of milk.
- (vi) Provision of accommodation in convalescent homes for nursing mothers and for children under five years of age.
- (vii) Provision of special homes and other arrangements for attending to the health of children of widowed, deserted and unmarried mothers under five years of age.

The provision made under this heading usually takes the form of homes in which mothers (generally unmarried mothers) are kept for some little time before the birth of their child and for three to twelve months after its birth, and of homes for babies in which children (chiefly illegitimate) are kept up to the age of three years or until some provision can be made for them elsewhere, i.e., with their mothers or with a foster mother. Such persons are, by reason of their situation, almost inevitably in necessitous circumstances.

Many of these services and in particular the services involving institutional treatment, may be provided either by Local Authorities directly or by voluntary bodies acting in co-operation with the Local Authorities. Contributions towards the expenses of voluntary bodies in this connection may be paid by Local Authorities, and grants up to 50 per cent. of net expenditure on the services may be paid by the Central Authorities to voluntary bodies. In Scotland no grants are paid direct to voluntary bodies.

4. Extent of the Provision made.

In England and Wales all County Councils and County Boroughs and Metropolitan Borough Councils and a large number of Borough and Urban District Councils have adopted maternity and child welfare schemes. The extent of the provision made under the schemes adopted varies, however, widely in different districts. The services provided universally, or practically universally, throughout England and Wales, include home visiting by health visitors, provision of welfare centres, provision of midwives, provision of doctors for an illness connected with pregnancy or confinement, and, though rather less widely, the provision of nourishment for expectant and nursing mothers and children. Special maternity homes or accommodation for confinement cases in general hospitals and special homes for children of widowed, deserted and unmarried mothers, are provided in many important centres of population. The remaining services set out in the preceding paragraph are provided on a less extensive scale. In Scotland most of the schemes provide for home visiting by health visitors, for skilled assistance in normal and emergency confinement cases at home, for hospital treatment for complicated cases of confinement, and

for the supply of food to mothers and children in necessitous cases. Special maternity homes and hospitals and special homes for ailing and convalescent children have been provided in some of the larger centres of population. Welfare centres are a general provision in the towns and industrial areas.

As regards services involving the giving of assistance in kind to necessitous cases, provision is generally made (as indicated in paragraph 1 above) for recovering the cost from the person benefited, but the extent to which recovery is made depends upon the nature of the service and the means of the applicant. For example, a woman desiring to be confined in a maternity home may be necessitous only in the sense that home accommodation is inadequate or unsuitable. In such a case, the whole cost would be recovered. Similarly the fees of midwives are usually recovered in part at least. On the other hand, the fee payable to a doctor called in by a midwife during the period of the mother's confinement is recovered less frequently in England and Wales and in rare cases only in Scotland, largely for the reason that under the rules of the Central Midwives' Board a doctor must in all cases be called in by the midwife upon the appearance of certain specific symptoms of maternity or infant disorders, and this obligation frequently involves the payment of a doctor's fee in cases in which the mother herself would not have incurred the expense. A special discretion as to the recovery of the fees paid to doctors called in in these circumstances was conferred upon Local Authorities by the Midwives Acts, 1915 and 1918.

5. *The Central Authorities and the Administration of the Service.*

The Central Authorities, through the administration of the grants in aid from the National Exchequer, exercise a close control over the administration of the service. They require Local Authorities who have undertaken responsibilities to submit for approval in advance full details of all arrangements which they propose to make for the provision of services involving expenditure out of public funds. In particular they require Local Authorities in England and Wales to submit, in all cases where they propose to supply milk at less than cost price, and ordinarily where provision is to be made for paying fees of midwives out of public funds and for giving treatment in institutions wholly or partly out of public funds, a scale of income suitable to local circumstances for the purpose of determining whether applicants for assistance are genuinely necessitous.

Special requirements have been imposed on Local Authorities in England and Wales in respect of the supply of milk for expectant and nursing mothers and for infants. These requirements of the Central Authority are set out in a Circular (No. 185) issued by the Ministry of Health on 31st March, 1921. In order to receive grants in aid, Local Authorities must comply with the following conditions:—

- (1) Milk may be supplied at less than cost price in necessitous cases only to—
 - (a) nursing mothers;
 - (b) expectant mothers in the last three months of pregnancy; and
 - (c) children up to three years of age, and exceptionally to children between three and five years of age.
- (2) The quantity of milk supplied at less than cost price must not ordinarily exceed one pint per day per person, but in the case of infants between three months and eighteen months in exceptional cases $1\frac{1}{2}$ pints a day may be supplied.
- (3) Milk should be given only where the Medical Officer of Health (or in certain cases the Medical Officer of the Centre) is satisfied that a supply is essential on grounds of health; and in the case of children between three years and five years of age, and where more than one pint is supplied for infants between three months and eighteen months, a special medical certificate should also be required.

- (4) Milk should be given to nursing mothers only where they are actually suckling their children.
- (5) A special Committee, which may be a sub-Committee of the Maternity and Child Welfare Committee, should normally be appointed to lay down a definite procedure for dealing with applications for milk, and to review all authorisations for supply. It is essential that each application should be considered by at least one member of the Committee (preferably the Chairman), the Medical Officer of Health, and a responsible financial officer before a supply is authorised. The Committee should meet at frequent intervals to review the cases authorised.

Further, arrangements must be made for testing the eligibility of applicants for assistance. It is laid down that every application for milk at less than cost price should be made on a printed form, which should show clearly the income of the family from all sources, and which should be signed as correct where practicable by both parents; that reasonable steps must be taken by Local Authorities to satisfy themselves that the particulars of income given are correct; that, pending the results of investigations, milk should not be distributed at less than cost price except on a medical certificate that an immediate supply is necessary on grounds of health; and that a supply of milk should only be sanctioned for periods of one month at a time to enable cases to be reviewed at frequent intervals.

In Scotland a more direct method of limiting expenditure has been adopted, and since May, 1922, a fixed grant for this branch of the service has been made. The amount of grant for the current year is £13,333. Subject to a maximum payment of 50 per cent. of expenditure, the method of distribution ensures that each Authority will receive not less than its *pro rata* share of the whole on a basis of population and valuation, and not less than the amount received in a previous standard year. A balance is available in further relief of the expenditure of those Local Authorities with relatively large expenditure, but who do not receive a 50 per cent. grant in all.

The Central Authorities have laid it down as a first principle of administration that careful arrangements must be made by Local Authorities to co-ordinate their work in providing assistance under the service with the work of any other bodies providing similar forms of assistance.

6. *The Local Authorities and the Administration of the Service.*

Under the service Local Authorities are invested with a large measure of discretionary authority. They have, in the first place, an entire discretion as to the adoption of any arrangements whatsoever under the service. They have discretion as to the forms of provision to be made if they decide to assume responsibilities under the service, and they have, subject to the general supervision of the Central Authorities, further discretion in the making of arrangements to provide any particular service and in the application of the detailed arrangements to individual cases.

In the administration of certain services involving provision of assistance in kind Local Authorities have, in accordance with the requirements of the Central Authorities, adopted income scales as tests of eligibility to receive assistance out of public funds. In general these scales vary not only for different localities, but also in the same locality for different services. These income scales are, in most cases, at a rather higher level than income scales adopted by Poor Law Authorities. Further, the practice of Local Authorities in the application of their income scales to different classes of individuals varies considerably. Some Local Authorities, for instance, provide institutional treatment only to persons who can afford to pay at least a certain share of the cost of their maintenance, and refer applicants who are unable to pay this share to the Poor Law Authorities. Others, again, provide such treatment even for

persons who are unable to make any contribution towards the cost of their maintenance. As regards the provision of milk, some few Authorities do not supply milk to persons in receipt of out-relief, but the more common arrangement in England and Wales in such cases is that the Local Authority provides the milk, and this provision is taken into account by the Poor Law Authorities in determining the amount of Poor Relief to be given.

Local Authorities are urged by the Central Authorities to take into account all sources of family income in determining eligibility for the receipt of assistance from public funds under the service, and it appears that, in so far as they are able to ascertain the means of applicants for assistance, they act in this respect in accordance with the principle laid down by the Central Authorities. In particular the cash payments received by insured women or by the wives of insured men as maternity benefits under the National Health Insurance scheme are regarded as income, and part, at least, of the cost of any assistance in kind granted at the time of confinement is normally recovered from such persons.

In determining the eligibility of applicants for receiving assistance under the service on grounds of health, Local Authorities rely on the opinion of their medical officers or of local practitioners assisting in the administration of the service. In the case of the certificates necessary for the grant of milk at less than cost price the certifying officer must be either the Local Medical Officer of Health or the Medical Officer of Welfare Centre, and in the case of hospital treatment for mothers during and after confinement, the Local Medical Officer of Health.

The methods adopted by Local Authorities to ascertain the means of applicants for assistance in kind vary widely. The completion of a declaratory form (on the same lines as that expressly required by the Central Authorities in respect of the provision of milk), co-operation with Poor Law Authorities, enquiries by Health Visitors and enquiries addressed to employers as to the accuracy of statements made regarding rates of wages, are among the methods adopted.

SECTION 4.—THE TUBERCULOSIS SERVICE.

A. England and Wales.

1. Introductory.

The statutory basis of the Tuberculosis service in England and Wales is the National Insurance Act, 1911, Part I.; certain provisions of the Public Health Acts and the Public Health (Tuberculosis) Act, 1921, which places upon each County and County Borough Council an obligation to make arrangements, in accordance with a scheme approved by the Minister of Health, for the treatment of persons suffering from tuberculosis at or in dispensaries, sanatoria and other institutions approved by the Minister.

The service is an integral part of the general public health services of the country, its object being broadly to place at the disposal of all persons suffering from tuberculosis special facilities for consultation, diagnosis and treatment regarded in the light of modern medical science as indispensable in the interests of the health and welfare of the community. The chief form of provision made under the service consists of institutional treatment, in the broadest sense of the term, to include the work of the tuberculosis dispensaries and residential treatment in hospitals and sanatoria. The service is also linked up with the general practitioner service provided for insured persons under the National Health Insurance Acts and with certain preventive work carried out by Local Sanitary Authorities.

The maintenance cost of the schemes of institutional treatment is borne out of public funds, with the principal exception that contributions towards the cost of residential treatment are in some cases required from

patients who are in a position to contribute. The residential treatment of war pensioners under the schemes is paid for in full by the Exchequer; and rather more than one half of the remaining approved net expenditure out of public funds is met out of grants from the Exchequer, the balance falling on local rates.

2. Administration and Machinery.

The Central Authority for England and Wales is the Minister of Health. The principal Local Authorities are the County Councils and County Borough Councils, who make the necessary arrangements for the provision of treatment under the scheme throughout England and Wales. In order to promote co-operation between County Councils and County Borough Councils, the Minister of Health may, by order, constitute Joint Committees of such Councils for the exercise of all or any of their powers, and a few such Committees have been constituted. Exceptionally in Wales the tuberculosis service is carried on by the Welsh National Memorial Association acting as agent for the Local Authorities.

In nearly all cases the Medical Officer of Health of the Local Authority is responsible for the administration of the local services. The clinical and executive work of the dispensaries is carried out by whole-time medical officers specially appointed and by a staff of tuberculosis visitors and nurses. The medical officers in charge of the dispensaries are known as Tuberculosis Officers. In some areas these officers combine this work with other public health duties, such as that of School Medical Officer.

3. The Services provided.

The schemes of institutional provision undertaken by the County Borough Councils have been formulated generally on uniform lines laid down by the Central Authority.

A complete scheme includes—

(a) *A tuberculosis dispensary or dispensaries.*—The tuberculosis dispensary is under the direct charge of a Tuberculosis Officer. Its function is to serve as a receiving and clearing house and as a centre for diagnosis, consultation and observation, where persons can avail themselves of the services of specially qualified medical officers for the purpose of diagnosis and advice. A large proportion of patients are insured persons under the National Health Insurance scheme, and have, therefore, the right of being attended by their insurance practitioner without extra cost elsewhere than at the dispensaries. Accordingly the actual treatment given at the dispensaries is intended to be confined mainly to special forms of treatment, which a general practitioner cannot be expected to carry out, and to treatment of persons who are not insured and who are unable to pay a private doctor.

(b) *Home visiting by tuberculosis nurses and visitors.*—This service is part of the normal organisation of a dispensary. Its objects are partly to provide advice and instruction to patients in a hygienic mode of life and partly to enable the Tuberculosis Officer to keep closely in touch with the home conditions of persons suffering from tuberculosis.

(c) *Residential treatment.*—This may be either hospital treatment or sanatorium treatment provided in institutions established either (1) by Local Authorities or (2) by charitable or philanthropic agencies or (3) by private organisations working for profit. In the case of a considerable number of the institutions, a grant in aid of the capital cost was made from the National Exchequer at the time of provision. Where accommodation is provided in institutions not maintained directly by the Local Authorities, the Local Authorities contract for the admission of patients usually at an agreed charge per week, subject to the approval of the Minister of Health.

The services mentioned under the above heads have been provided almost universally throughout England and Wales by the Local Authorities concerned.

In addition to these general services a number of other services are provided on a less extensive scale:—

(a) *Home nursing*.—In some cases the Local Authorities make provision for the actual nursing of patients at home; but this is the exception rather than the rule.

(b) *Dental treatment*.—This is provided under the schemes of certain Local Authorities.

(c) *Provision of extra nourishment for tuberculous patients who are under treatment at home*.—This form of provision is purely discretionary but the large majority of Local Authorities spend limited sums upon it.

(d) *Training in new occupations*.—Arrangements have been made at a number of institutions for the training in new occupations of tuberculous ex-service men whose state of health is unlikely to allow them to resume their previous occupations.

(e) *After-care*.—Local Authorities are empowered to make arrangements for the after-care of persons who have suffered from tuberculosis. No general use has yet been made of this power, but in a few cases Local Authorities subscribe out of the rates towards the expenses of voluntary Tuberculosis Care Committees. As a general rule, however, the contributions of Local Authorities are made specifically towards the establishment and office expenses of these Committees.

The cost of all the above services is borne mainly out of public funds, but contributions are in some cases required towards the cost of residential treatment (except in the case of ex-service men whose disease has been held to be attributable to or aggravated by war service (*see* para. 5 below)) where the financial circumstances of the patient are such as to justify a charge. The Minister of Health has, however, laid down the principle that nothing should be done in this direction which would be likely to deter persons who are in need of residential treatment from accepting such treatment, and in practice the amount received in contributions is a very small sum in relation to the total expenditure upon residential treatment. Where dental treatment is provided, patients usually contribute according to their means towards the cost of new dentures.

The approved expenditure of the Local Authorities upon the maintenance of the services mentioned above* is aided by the Exchequer as follows:—

- (1) The cost of residential treatment provided for war pensioners is refunded to the Authorities in full.
- (2) Of the net annual expenditure then remaining rather more than one half is met by Exchequer grants.

The total grant payable in respect of any year is subject to a limitation. Before the commencement of each financial year, estimates are submitted by the Local Authorities of the cost of carrying out their schemes, and on the basis of these estimates a maximum net expenditure is fixed for each Authority. Any expenditure above this amount does not rank for grant.

4. *The Administration of the Service by the Central and Local Authorities.*

As in the case of the Maternity and Child Welfare service, the Central Authorities exercise through the administration of the grants from the National Exchequer a general supervision over the local administration of the Tuberculosis service. Local Authorities are required to

* NOTE.—General expenditure on After-Care does not, however, rank for Exchequer grant, and expenditure on extra nourishment only to the extent of 50 per cent. of an expenditure not exceeding £2 per 1,000 of the population of the area.

submit to the Central Authorities for approval, details of proposed schemes for their areas, and broadly any substantial modifications of arrangements under current schemes and any changes involving an additional charge upon the Exchequer require the express sanction of the Central Authorities.

The general effect of the Central Authority's supervision and control is to preserve a reasonable measure of uniformity between the schemes and to secure that value is obtained for the money contributed by the Exchequer. Detailed and general advice is from time to time given in the Central Authority's circulars as to the lines on which the various services should be conducted, but it is recognised that the schemes are local schemes and that in administering them in detail the Local Authority is not in the position of carrying out rigid regulations prescribed by the Central Authority.

A recent Circular (No. 257 of 1921), issued by the Minister of Health calls for special attention. In this Circular the Minister has indicated to Local Authorities the principles which in his view should govern the administration of the limited expenditure they are in a position to incur upon the provision of extra nourishment for tuberculous patients under treatment in their homes. It is suggested that the classes of patients most likely to benefit from grants of extra nourishment are (a) patients who have received an adequate course of sanatorium treatment and whose medical condition is such that with the grant of extra nourishment they may be expected to maintain or recover full working capacity; and (b) patients in whose cases ultimate arrest of the disease may reasonably be anticipated and who are waiting for admission to a sanatorium. It is laid down that provision should be made for enquiring into the financial circumstances of every applicant for extra nourishment, and that grants should not be made except to patients who cannot reasonably be expected to incur the necessary additional expenditure from their own resources. It is further laid down that expenditure on the supply of additional food is not justified in the case of tuberculous patients whose circumstances are such that they can only be dealt with adequately through the machinery of the Poor Law. Local Authorities are urged to take suitable precaution against the abuse of the service, and in particular to ensure that all articles of food are in fact consumed by the persons for whom they are ordered. No obligation has, however, been placed upon Local Authorities to submit for the approval of the Central Authorities income scales as tests of eligibility either for receipt of free residential treatment or of additional nourishment. Where voluntary Care Committees are in existence, Local Authorities generally act on the advice of such Committees in making grants of extra nourishment.

It should be added that the existence of the schemes of the Local Authorities does not confer upon individual persons suffering from tuberculosis any right to residential treatment, and in dealing with the admission of individuals to treatment and in the detailed provision generally Local Authorities have a wide discretion.

It may be noted here that the Poor Law Authorities provide in their institutions for considerable numbers of destitute tuberculous persons. Under the schemes of the Local Authorities at present considerably fuller provision has been made for the residential treatment of early cases in which there is a prospect of arresting the disease than for the hospital treatment of chronic and advanced cases and substantial numbers of the latter class fall to be dealt with by the Poor Law.

5. Special provision for ex-Service Men.

A number of special vocational training centres have been built out of moneys provided by the Exchequer for the provision of concurrent treatment and training for selected cases of tuberculous ex-service men. In addition to these special centres there are a small number of residential institutions provided by voluntary agencies and Local Authorities in

which training in various occupations is provided during the later stages of treatment. At two of these institutions provision has been made, principally at the cost of voluntary funds, for the settlement in cottages of a number of men (mainly ex-service men), on completion of their training, the men living in the cottages with their families, and earning their living under sheltered conditions by working at industries promoted by the institution.

Pensions and allowances to ex-service men undergoing treatment for tuberculosis are paid direct by the Ministry of Pensions together with the costs of treatment and training. Arrangements are in operation for ensuring that the Councils notify the local offices of the Ministry of Pensions as to periods and forms of treatment provided, and other matters, and for securing co-operation between Councils and the local offices of the Ministry of Pensions in dealing with tuberculous cases, through the use of the services of Tuberculosis Officers.

B. Scotland.

The Tuberculosis service in Scotland is similar in its main features to the service provided in England and Wales. Its statutory basis in Scotland (apart from the provisions of general application embodied in the National Health Insurance Acts) is to be found in the Public Health (Scotland) Acts, 1897 to 1907. No explicit statutory obligation has been placed on Local Authorities in Scotland to make arrangements for the treatment of tuberculosis. The Local Authorities accepted the view expressed by the Local Government Board for Scotland that, tuberculosis being an infectious disease, the obligations resting on Local Authorities under the Public Health Acts in regard to the control and treatment of infectious diseases generally extend to tuberculosis in the same way as to other infectious diseases. It has therefore been considered unnecessary to introduce special legislation for tuberculosis so far as Scotland is concerned.

The Central Authority charged with the general supervision of the service in Scotland is the Scottish Board of Health. The Local Authorities are:—

- (a) The Town Council of the larger burghs, i.e., those with a population of over 20,000.
- (b) The County Councils of a considerable proportion of the counties; and
- (c) In other areas, the several District Committees and Town Councils.

In many cases combinations of Local Authorities have been formed for the carrying out of the whole or certain details of the schemes, e.g., provision and maintenance of a sanatorium or hospital.

Treatment schemes are formulated in Scotland on broadly the same lines as in England and Wales.

The following main points of difference should be noted:—

Domiciliary Treatment.—As in England and Wales extra nourishment may be provided for patients undergoing domiciliary treatment on the recommendation of the Tuberculosis Officer, but it is not laid down that enquiry should be made into the financial circumstances of applicants for extra nourishment. The only financial restriction laid down is that the cost of food and medicine supplied in any one week must not exceed ten shillings. Grants may be made by Local Authorities to tuberculous patients who are in receipt of poor relief. In such cases the Poor Law Authority provides lodging, clothing and ordinary sustenance and the Local Authority provides such medicines and special foods as are exclusively necessary for the treatment of tuberculosis.

Residential Treatment.—Local Authorities generally recognise it as their duty to provide, so far as practicable, residential treatment to all tuberculous patients requiring such treatment. No contribution towards the cost of treatment is required from any patient. As regards pauper

cases, it is a normal part of the approved schemes of Local Authorities that the Local Authority undertakes responsibility for their treatment. Treatment is provided in institutions approved for the purpose by the Scottish Board of Health.

After-Care.—Local Authorities in Scotland have no statutory powers in regard to the after-care of persons who have suffered from tuberculosis. Such work as is done in this direction is done unofficially with voluntary aid.

Ex-Service Cases.—The arrangements for the provision of special facilities for the treatment of tuberculous ex-service men are similar generally to those in force in England and Wales. It should be noted, however, that no Government training centres for tuberculous ex-service men have been set up in Scotland. The vocational training facilities which are available at certain sanatoria in Scotland have been provided by the Local Authorities with the aid of Exchequer grants. There is no provision for "village settlement" in Scotland.

The expenditure of Local Authorities on the service is met partly out of local rates and partly out of special Exchequer grants which now amount to rather more than one half of the approved expenditure on the service.

SECTION 5.—THE VENEREAL DISEASES SERVICE.

(England and Wales and Scotland).

The statutory basis of the scheme for the treatment of venereal diseases is a series of Public Health Acts, culminating in England and Wales in the Public Health (Prevention and Treatment of Disease) Act, 1913, and in Scotland in the Public Health (Scotland) Act, 1897, under which Regulations* have been made requiring County and County Borough Councils in England and Wales and certain Local Authorities in Scotland to make arrangements, subject to the approval of the Central Authorities (the Minister of Health and the Scottish Board of Health) for enabling any medical practitioner practising in the area of the Authority to obtain adequate laboratory facilities for diagnosis of cases suspected to be suffering from venereal disease; for providing treatment at hospitals and other institutions for persons suffering from these diseases; and for supplying salvarsan to medical practitioners who are qualified to administer this drug. Local Authorities are also empowered to make such provision as appears to them to be desirable for propaganda as to the evil effects of venereal diseases and as to the importance of skilled treatment in the early stages of the diseases. The entire provision is made out of public funds and without any charge to medical practitioners or patients whatever their means, while the treatment provided at Treatment Centres established under the Regulations is available for all comers irrespective of their place of residence. 75 per cent. of the cost of carrying out arrangements approved by the Central Authorities is met from national taxation; the remainder from local rates.†

Practically all Local Authorities affected have now made arrangements under the service and 191 Treatment Centres in England and Wales and 37 Treatment Centres in Scotland, established mainly at general hospitals in charge of specially qualified medical officers, have been provided in all important centres of population. The treatment provided consists largely of out-patient treatment, but some beds are available in connection with most of the Treatment Centres for persons needing in-patient treatment. In some cases the arrangements include the provision of hostels in which women and girls

* The Public Health (Venereal Diseases) Regulations, 1916, and the Public Health (Venereal Diseases) Regulations (Scotland), 1916.

† Grants are also paid from the Exchequer in aid of the special expenditure incurred by Poor Law Authorities who make arrangements approved by the Central Authorities for the treatment of venereal diseases in their infirmaries.

suffering from venereal disease are treated and maintained for varying periods, and many of the patients are retained in the hostels longer than is necessary for purely medical reasons in order that they may receive training and instruction which will be helpful to them after they leave the hostels.

Any registered medical practitioner is entitled to consult with the Medical Officer of the Treatment Centre without fee in regard to any person suffering from or suspected to be suffering from venereal disease, but if a patient is not willing to accept treatment by his private or insurance doctor, the special facilities under the schemes of the Local Authorities are in no case withheld. Further, general practitioners are encouraged to make the fullest use of the laboratory and other facilities provided by the Local Authorities for the diagnosis of cases and for assistance in the treatment of their patients.

SECTION 6.—THE LUNACY SERVICE.

A. *England and Wales.*

1. *General Description of the Service.*

Provision is made for the detention and care of lunatics in England and Wales wholly or partly at the public expense under the Poor Law and under the Lunacy Acts, 1890-1911. Under these Statutes certain Local Authorities are charged with the duty of providing and maintaining out of public funds, subject to the supervision of a Central Authority, an asylum or asylums for the accommodation of pauper lunatics* (other than criminals)† and are given power also to make arrangements with private institutions for the reception of such lunatics. The cost of maintenance of the pauper lunatics in the asylums or private institutions is borne, save in exceptional circumstances, by the Poor Law Authorities, who recover at their discretion contributions towards the cost of maintenance from the patients' estate or their relatives, according to means. A large number of asylums have now been established by Local Authorities, but a substantial number of pauper lunatics are still accommodated in workhouse infirmaries.

No direct Exchequer Grant is paid towards the expenses of providing asylums, but a grant of 4s. per week is paid by the Local Government Authority out of subventions received from the Local Taxation Account (a contribution from the National Exchequer to Local Authorities) to the Poor Law Authority in respect of each pauper lunatic maintained in an institution for lunatics, if the net cost to the Poor Law Authority (after deducting contributions by relatives and others) equals or exceeds 4s. per week. There is no Exchequer Grant (direct or otherwise) towards the cost of lunatics maintained by Poor Law Authorities in workhouses.

2. *Machinery and Administration.*

The Central Authority is the Board of Control (consisting at present of a Chairman, 3 unpaid and 7 paid Commissioners, including 3 legal, 3 medical and 1 woman Commissioner) to which all the powers and duties of the Commissioners in Lunacy were transferred on the passing of the Mental Deficiency Act, 1913. The duties of the Board, subject to the general supervision of the Minister of Health (or, in certain matters, of

* Pauper lunatics are persons either in receipt of Poor Relief or in such circumstance as to require relief at the public expense (including for the purposes of this definition medical relief) for their proper care, who have been found to be lunatics and have been admitted for detention in an institution on an order of a Justice of the Peace under procedure laid down by statute. Provision is made in the majority of asylums provided by Local Authorities for the reception of non-pauper patients in special wards on special (private patients') terms.

† Provision for the detention and maintenance of criminal lunatics is made out of funds provided by the National Exchequer under arrangements made by the Home Office.

the Lord Chancellor), include the visitation of lunatics and supervision of their care and treatment, and the visitation of institutions for lunatics and of workhouses containing lunatics.

The Local Authorities charged with the duty of providing and maintaining asylums, etc., are County Councils, County Borough Councils, and certain Borough Councils or combinations of these Councils in Joint Boards or Committees. The Local Authority carries out its administrative duties through a Visiting Committee, whose main functions are to manage the asylum, to contract, subject to the approval of the Minister of Health, on the advice of the Board of Control, with other Institutions for the reception of pauper lunatics, and to recover from the Guardians of the Union in which the pauper lunatic has a settlement the cost of his maintenance. (Where the settlement of a pauper lunatic cannot be ascertained, he is chargeable to the Local Authority.)

A close central control is exercised in matters relating to the provision of asylum accommodation by Local Authorities. Central control, over the detailed administration of the service, however, relates primarily to matters connected with the propriety of the detention or the continued detention of patients and with the provision made for their proper care and treatment. Detailed financial administration rests with the Local Authority. The duty of recovering contributions from relatives of patients able or willing to pay rests with the Poor Law Authorities who, for the purpose of enquiry into means, make use of the ordinary machinery of the Poor Law service.

B. Scotland.

1. General Description of the Service.

The Lunacy service in Scotland is broadly similar to the service provided in England and Wales, with certain differences, however, in detailed working.

Provision is made for the detention and care of lunatics wholly or partly at the public expense under the Poor Law and under the Lunacy (Scotland) Acts, 1857-1914. Under these statutes certain specially constituted Local Authorities are charged, as in England and Wales, with the duty of providing and maintaining out of public funds, subject to the supervision of a Central Authority, an asylum or asylums for the accommodation of pauper lunatics,* and are given power also to make arrangements with private institutions for the reception of such lunatics. A large number of Asylums have now been established by Local Authorities, but a substantial number of pauper lunatics are accommodated by statutory authority in licensed wards of poorhouses and under guardianship in private dwellings.

The cost of maintenance in the asylums or private institutions, as well as in licensed wards of poorhouses and under private guardianship, is borne not, as in England and Wales, wholly by the Poor Law Authorities assisted by grants from the Local Taxation Account, but in equal proportions by the Local Authorities for Lunacy and by the Poor Law Authorities, who recover at their discretion contributions towards the cost of maintenance from the patients' estates or from their relatives, according to their means.

No direct Exchequer Grant is paid towards the expenses of providing asylums or of the maintenance of pauper lunatics, but a sum of £115,500 per annum from the Local Taxation Account is available for distribution to Parish Councils in respect of each pauper lunatic maintained in an institution for lunatics or in the lunatic wards of a poorhouse or under guardianship in a private dwelling. This sum is allocated amongst Parish

* Pauper lunatics are persons either in receipt of Poor Relief or in such circumstance as to require relief at the public expense (including for the purposes of this definition medical relief) for their proper care who have been found to be lunatics and have been admitted for detention in an institution, including lunatic wards of a poorhouse, or placed under guardianship in a private dwelling.

Councils in proportion to their expenditure in so far as such expenditure does not exceed 8s. per week per head. For the year 1914-15 the amount distributed was at the rate of 7s. 0½d. per pound of admissible expenditure, or almost 8s. per week per head. Since 1914-15 the distribution has been stereotyped on the basis of the allocation and distribution of that year.

2. Machinery and Administration.

The Central Authority is the General Board of Control for Scotland (consisting of a Chairman, 2 unpaid Legal, and 2 paid Medical Commissioners), to which all the powers and duties of the Commissioners in Lunacy were transferred on the passing of the Mental Deficiency and Lunacy (Scotland) Act, 1913. The duties of the Board are similar to those of the Board of Control for England and Wales.

The Local Authorities are District Boards of Control and are composed of representatives elected by County Councils, Town Councils and Chairmen of Parish Councils, with power to co-opt lady members. The Local Authority carries out its administrative duties through a Visiting Committee, a body invested with the same powers and duties as a Visiting Committee in England and Wales.

The spheres of the Central and Local Authorities in the administration of the service are broadly the same as in England and Wales.

SECTION 7.—THE MENTAL DEFICIENCY SERVICE.

A. England and Wales.

1. Introductory.

General Description of the Service.—Special provision is made for persons who are mentally defective under the Elementary Education (Defective and Epileptic Children) Acts, 1899-1914,* the Mental Deficiency Acts, 1913-1919, and under the Poor Law.

The Mental Deficiency Acts apply to defectives, i.e., persons who are medically certified to be idiots, imbeciles, feeble-minded persons and moral imbeciles. Under the Acts certain Local Authorities are charged with the duty of ascertaining persons in their areas who, in addition to being defectives are either:—

- (i) found neglected, abandoned or without visible means of support, or cruelly treated; or
- (ii) found guilty of any criminal offence; or
- (iii) detained in prisons, reformatory and industrial schools, lunatic asylums or criminal lunatic asylums; or
- (iv) habitual drunkards; or
- (v) notified by the Education Authority, viz., ineducable children between the ages of 7 and 16 and children about to leave Special Schools at age 16 who require continued detention; or
- (vi) unmarried mothers in receipt of poor relief at the time of pregnancy or confinement.

When these defectives have been ascertained, it is the duty of the Local Authorities to provide suitable supervision, i.e., home visitation or training at a Centre for them, or to provide institutional care or guardianship, i.e., care by a specially appointed person for those in whose cases an order of detention has been made. This order is made by the Home Secretary or a Criminal Court or other Judicial Authority, as the case may be.

The Central Authority is invested with special power to make provision for dangerous or violent defectives.

* Provision is made under these Acts for the establishment of special schools for mentally defective children between 7 and 16. The provision made is mainly educational.

Local Authorities carry out their duties in accordance with schemes approved by the Central Authority. Institutional care may be provided either in special institutions established and maintained by the Local Authority or in specially certified voluntary institutions and specially approved Poor Law Institutions with whom Local Authorities have entered into contracts. Local Authorities may also secure the help of voluntary societies in ascertaining and supervising defectives and may contribute to the funds of the societies.

The cost of the provision made is borne out of public funds in the first instance, but contributions towards the costs of maintenance, etc., of defective persons in institutions or under guardianship are recovered from patients or from relatives, according to means.

The expenditure incurred by Local Authorities in carrying out their duties is borne partly out of local rates and partly out of grants from the Exchequer. The liability of Local Authorities to carry out the duties described above is, however, conditional on the payment to them from the Exchequer of a grant of not less than one-half of the net cost of the provision made, as approved by the Central Authority.

Local Authorities also have permissive powers to enable them to pay or contribute towards the expenses of providing institutional care or guardianship for defectives other than those in respect of whom express duties have been placed upon them. Expenditure in the exercise of these permissive powers does not rank for a grant from the Exchequer.

In addition to the special provision made for the care of mentally defective persons under the Mental Deficiency Acts, provision is still made (a) within the Poor Law for the care of defectives; (b) within the Lunacy Acts for defectives who are also lunatics; and (c) within the Education Acts for defective children, but subject to limits prescribed by the Mental Deficiency Acts and Regulations made thereunder, responsibility for dealing with such cases may be, and in a large number of cases is, transferred to the Local Authorities.

2. *Machinery of Administration.*

The Central Authority is the Board of Control. Subject to the general supervision of the Minister of Health, the Board is charged with the general superintendence of matters relating to the supervision, protection, and control of defectives, including the administration of the Exchequer grant, the certification and approval of institutions, and the management of State institutions for defectives of dangerous or violent propensities.

The Central Authority, through the administration of grants, approval of schemes, contracts, plans, and estimates, certification of institutions, and local visitation, exercises a close supervision and control over the work of Local Authorities.

The Local Authorities are County or County Borough Councils or Joint Committees of such Councils. They exercise their duties and powers either through, or on the report of, Committees constituted by themselves under conditions prescribed by the Acts.

3. *Review of Administration.*

The amounts of the contributions recovered from patients or their relatives towards the cost of institutional care and guardianship are in practice relatively small, and the cost of such provision where made has, therefore, to be borne mainly by public funds. In view of the present financial circumstances of the country, the amount of the Exchequer grant has been strictly limited, and, in consequence, the liability of the Local Authorities to carry out duties under the Acts has likewise been limited. At present, as a consequence, the provision of institutional care is limited to cases defined by the Board of Control as "Urgent." Fresh capital expenditure for the provision of institutions by Local Authorities is, moreover, approved in very exceptional circumstances only. Local

Authorities have further limited their expenditure to services in respect of which a grant from the Exchequer has been payable and have made practically no use of their permissive powers under the Acts.

The Acts provide that reasonable contributions according to ability towards the cost of maintenance, etc., of defectives in institutions or under guardianship shall be paid by the defectives or their relatives. The amounts of the contributions are fixed either by an Order of a Judicial Authority or by voluntary agreement after consideration of the means of the contributors. The necessary enquiries are made in each case by the responsible Local Authority, either through their own officers or with the assistance of Poor Law or other Authority. The Central Authority calls for a report in each case as to the steps taken to obtain contributions. The Acts also provide for the enforcement of contributions.

B. Scotland.

The Mental Deficiency Service in Scotland is substantially the same as in England and Wales, the main differences being that the Central Authority is the General Board of Control for Scotland, and the Local Authorities are the District Boards of Control (elected to carry out duties in connection with both Lunacy and Mental Deficiency Service), Parish Councils and Education Authorities.

SECTION 3.—HIGHLANDS AND ISLANDS MEDICAL SERVICE.

1. Introductory.

In 1913, following on the report of the Highlands and Islands (Medical Service) Committee, the Highlands and Islands (Medical Service) Grant Act was passed instituting the Highlands and Islands (Medical Service) Fund, which is to be applied under approved schemes "for the purpose of improving medical service, including nursing, in the Highlands and Islands of Scotland, and otherwise providing and improving means for the prevention, treatment and alleviation of illness and suffering therein". Under the Act the annual sum paid into the Fund is £243,000, and any balance unexpended is not surrendered at the close of the financial year.

The area to which the Act applies is defined as the Counties of Argyll, Caithness, Inverness (excluding Burgh of Inverness), Ross and Cromarty, Sutherland, Orkney and Zetland, and the Highland District of the County of Perth.

2. Administration and Machinery.

The Act is administered by the Scottish Board of Health. While certain specified services may be committed to Local Authorities, such as County Councils, District Committees and Parish Councils, the application of the Fund rests with the Board, who in this matter have the benefit of the advice of the Highlands and Islands Consultative Council constituted under the Scottish Board of Health Act, 1919.

3. Services provided under the Act.

Under schemes approved by the Treasury the Fund may be applied in aid of the following services:—

- Medical Service;
- Nursing Service;
- Hospitals and Ambulances;
- Provision of Houses for Doctors and Nurses, Hospices and Hospital Extensions;
- Specialised Services (e.g., Dental, Bacteriological, etc., including Laboratories and Clinics);
- Telegraph and Telephone Extensions;
- Provision for Special Emergencies; and
- Assistance in the Treatment of Tuberculosis in the Hebrides, Skye and Zetland.

4. *Extent of the Provision made.*

(a) *Medical Service.*—The aims of the Medical Service scheme are, broadly, to ensure that, so far as is practicable in the special circumstances of the Highlands and Islands, the residents shall be brought into approximately the same position as regards medical service as the population in, say, an industrial area, and to assist localities which unaided cannot provide sufficient remuneration to attract and retain a suitable type of Medical Officer. In its present form this scheme provides that as regards the families and dependants of insured persons, crofters and cotters and their families and dependants, and others in like circumstances to whom the payment of ordinary fees for medical attendance would be an undue burden, the services of a doctor or midwife may be obtained at modified fees. No additional charges are payable by the patient in respect of travelling involved in the doctor's attendance, no matter what the distance to be covered may be. The scheme of Medical Service at modified fees outlined above is in operation throughout the Highlands and Islands with the exception of Orkney Mainland. Grants are paid by the Board to the doctors who have come within the scheme, to recoup them for losses sustained, or, as indicated above, to supplement the local practice income to provide them with adequate remuneration.

(b) *Nursing Service.*—Grants are paid to Nursing Associations or other organisations to assist in the maintenance of a District Nursing Service throughout the Highlands and Islands. Under the approved scheme it is possible for Local Authorities to accept the general management of this and other auxiliary services and, if need be, to assist these services from the rates. Post-war conditions have, however, prevented the general adoption of this scheme by Local Authorities, and where they have adopted it, they have stipulated that they shall not be required to apply the new rating power conferred on them by the scheme. In the main, the Nursing Service throughout the Highlands and Islands is being provided by voluntary organisations whose nurses are employed, as required, by the Local Authorities.

(c) *Other Services.*—Assistance is given from the Fund to Hospital Managers, Local Authorities and others, under the remaining schemes referred to above, as occasion arises; but it has not so far been possible to develop a system of specialised services on account of the conditions that have obtained since the institution of the Fund.

CHAPTER IV.

PROVISION ON ACCOUNT OF UNEMPLOYMENT.

SECTION 1.—THE EMPLOYMENT EXCHANGE SYSTEM.

1. *Introductory.*

The statutory basis of the Employment Exchange system is the Labour Exchanges Act, 1909. The purpose of the system is broadly to provide a ready means of bringing employers who desire workpeople and workpeople seeking employment into touch with one another, through the establishment and maintenance of Local Offices distributed widely throughout the country with the function of collecting information respecting the requirements of employers and the supply of labour available to meet these requirements, and of furnishing such information to employers and workers concerned.

No charge is made to employers or workpeople for the use of the facilities provided under the system. Since the extension of the Unemployment Insurance scheme to practically all industrial workers by the Unemployment Insurance Act, 1920, the cost of administration has been borne mainly by the Unemployment Fund, formed under the Unemployment Insurance scheme, which is largely administered through

the Employment Exchange machinery (*see* Section 2 of this Chapter below); the small proportion of the cost not borne by the Fund is borne directly by the National Exchequer.

2. *Administration and Machinery of the System.*

The general responsibility for the administration of the system rests with the Minister of Labour (to whom it was transferred from the Board of Trade in 1917 under the New Ministries and Secretaries Act, 1916). The work of administration is controlled centrally by the Employment and Insurance Department of the Ministry of Labour.

The local machinery of the system includes at present some 380 Employment Exchanges situated in all important towns and large industrial centres throughout the country, each working in a defined territorial area—the Employment Exchange area—and some 780 Branch Employment Offices in less important centres organised mostly on a part-time basis and working under the supervision of the Employment Exchange in whose area they are situated. The Employment Exchanges themselves are grouped into seven territorial divisions,* each of which is controlled from a Divisional Office in charge of an officer of the Employment and Insurance Department, the Divisional Controller, who is immediately responsible for the working of the Exchange machinery in his division.

In general there is attached to each Employment Exchange an Advisory Committee known as the Local Employment Committee. These Committees are voluntary unpaid bodies consisting in the main of representatives in equal numbers nominated by the principal organisations of employers and employed in the locality, with a few additional representatives of organisations with special local interests such as the Local Government Authority and the Local Territorial Force Association, presided over by an independent Chairman appointed by the Minister of Labour. They assist the Minister generally in an advisory capacity in connection with the work of Employment Exchanges.†

Special Committees have been set up in over 300 different districts to deal with the peculiar problems arising in connection with the employment of boys and girls under 18 years of age. These Committees are either:—

- (a) Juvenile Advisory Committees appointed by the Minister of Labour under the Labour Exchanges Act, 1909, composed of representatives of the Local Education Authority, teachers, local employers and workpeople, together with other persons specially interested in juvenile employment or having expert knowledge of local industrial conditions. Such Committees have been set up in about 170 Employment Exchange areas; or
- (b) Juvenile Employment Sub-Committees appointed by Local Education Authorities in England and Wales under powers conferred by the Education (Choice of Employment) Act, 1910, and constituted generally on the same lines as Juvenile Advisory Committees. These Committees are not under the direction of the Ministry of Labour but usually have the assistance of a "Co-operating Officer" appointed by the Ministry from the local Employment Exchange. The work of the Committee may be carried on either in the Employment Exchange or at a Juvenile Employment Bureau established by the Education Authority themselves, in which case the Juvenile Department of the local Employment Exchange is usually closed. About 140 such Committees have been appointed by Local Education Authorities in England and Wales for their districts.

The functions of both sets of Committees are to give advice with regard to the management of the Employment Exchanges in relation to juvenile

* The Divisional areas are:—
South Eastern, South Western, Midlands, North Eastern, North Western, Scotland, Wales.

† These Committees and the Juvenile Employment Committees and Port Labour Committees described below are also charged with important special functions under the Unemployment Insurance Scheme (*see* Section 3 of this Chapter below).

applicants for employment and to give advice, assistance, and information to boys and girls and their parents with respect to the choice of employment and other matters bearing thereon.

Special arrangements are in force for the completion by head teachers of confidential school-leaving reports in respect of each child leaving school. In these reports information regarding the child's educational qualifications, school medical history, occupation desired or recommended, etc., is made available to the Committee.

In London and several of the larger cities, Committees composed of headmasters and headmistresses respectively of Secondary and Public Schools co-operate with the Ministry of Labour and advise and help boys and girls from such schools in securing employment.

In areas other than those covered by a Juvenile Employment Committee juveniles obtain advice or assistance from the officer in charge of the Juvenile Department of the local Employment Exchange.*

At most of the principal ports there have also been established Port Labour Committees constituted by the Minister of Labour on the same general lines as Local Employment Committees to assist in an advisory capacity in dealing with the special problems arising in connection with the employment of dock labour.

3. *The Working of the System.*

There is maintained at every Local Office (Employment Exchange and Branch Employment Office) a register of persons in the area of the Office who are seeking employment and who have made application to the Office for assistance in finding work. This register is sub-divided according to occupation and contains the fullest particulars available of the industrial qualifications of applicants. A record is also maintained of the requirements of employers in the area who have notified their needs to the Office. Under the normal procedure any employer who may desire to engage workpeople through the Employment Exchange machinery notifies the nearest Local Office of his requirements, and any suitable applicants registered at that Office are immediately put into touch with him.

Special machinery is provided for meeting employers' requirements which cannot be satisfied locally and for arranging that workpeople shall not remain unemployed in one area while there is employment available in another. Ordinarily, when the requirements of an employer cannot be immediately met locally, particulars are circulated to all Local Offices in the Divisional area concerned, and if no suitable workpeople are found by this means the particulars are circulated to all Local Offices in Great Britain in a printed Gazette prepared at the Headquarters of the Employment and Insurance Department in London. The Gazette is issued weekly, amendments to the weekly issue being circulated daily. By these means all Local Offices throughout the country are linked together in one national system.

Employment Exchanges are required to observe strict impartiality in their dealings with employers and workers. Ordinarily the only qualification taken into consideration in introducing workpeople to prospective employers is their industrial suitability for the work offered. Other things being equal, however, preference is being given at the moment to unemployed ex-service men, and special arrangements are in force for dealing with disabled ex-service applicants for employment. These arrangements include the maintenance of a special register of disabled men who, owing to their disablement, are definitely handicapped in seeking employment (see chap. vi, Section 2, (iii) (8) below).

* Under Section 6 of the Unemployment Insurance Act, 1925, the full responsibility for advising and placing juveniles as well as the administration of Unemployment Insurance in respect of boys and girls between the ages of 16 and 18 years is assigned definitely in England and Wales either to the Local Education Authority, if it so desires, or to the Ministry of Labour. The administrative arrangements under this Section have not yet been completed.

4 *Special Arrangements for Advances of Fares.*

When employment is found for a person through the Exchange system at a distance from his home of more than five miles advances may be made by way of loan to meet the cost of fares for travelling. In the case of a worker within the scope of the Unemployment Insurance scheme (see Section 2 below), a portion of the cost of travelling may be paid outright out of the Unemployment Fund. The portion which may be so paid at present is one-half of any amount in excess of 4s.

SECTION 2.—THE UNEMPLOYMENT INSURANCE SCHEME.

1. *Introductory.*

The statutory basis of the permanent scheme of insurance against unemployment is the Unemployment Insurance Act, 1920. This Act extended the limited scheme of Unemployment Insurance in operation under Part II of the National Insurance Act, 1911, and the National Insurance, Part II (Munition Workers) Act, 1916, and other statutes,* and repealed all previous statutory enactments relating to unemployment insurance. Since the passing of the Act of 1920 a number of further statutes relating to unemployment insurance have been passed. This legislation, while altering the permanent scheme of insurance in some important respects, has in the main been designed to make special emergency provision for dealing with the exceptional circumstances arising out of the prolonged industrial depression.

The Unemployment Insurance scheme extends uniformly to the whole of Great Britain, and is compulsory and contributory in character. The purpose of the permanent scheme in its present form is broadly to provide employed persons (with the principal exceptions of persons employed in agriculture and in private domestic service) with an insurance against enforced unemployment under which, while the worker is in employment, contributions are paid jointly by the worker, the employer, and the State into a central Unemployment Fund, and, during periods of unemployment, insured persons receive from the Unemployment Fund benefits in proportion to the number of contributions paid in respect of them, subject to a maximum in a given period. Provision is also made for the payment of additional benefits to insured persons in respect of certain classes of dependants.

Under the emergency provisions of the legislation passed since the coming into operation of the Unemployment Insurance Act, 1920, there has been a temporary departure from the principle in accordance with which benefit is limited in proportion to the number of contributions paid. This has involved the use of the reserves accumulated since 1911 under the original scheme, an increase in the rates of contributions, and the granting of a loan by the Exchequer to be repaid out of the future contributions of the three parties to the scheme.

2. *Administration and Machinery.*

The general responsibility for the administration of the Unemployment Insurance Scheme throughout Great Britain† rests with the Minister of Labour who is charged by statute with the control and management

* The Act of 1911 applied to workpeople in the following trades:—

(1) Building; (2) Construction of Works; (3) Shipbuilding; (4) Mechanical Engineering; (5) Iron Founding; (6) Construction of Vehicles; (7) Sawmilling. The Act of 1916, included workpeople employed in Munitions Work in the manufacture of— (1) Ammunition, fireworks, explosives; (2) Chemicals, oils, soap, candles, etc.; (3) Metals and the manufacture or repair of metal goods; (4) Rubber and rubber goods; (5) Leather and leather goods (excluding boots and shoes); (6) Bricks, cement and building materials, and (7) Workpeople employed in certain branches of sawmilling not included under the Act of 1911.

† The administration of the scheme in Northern Ireland was transferred to the Minister of Labour for Northern Ireland on 1st January, 1922; and in Southern Ireland to the Minister of Industry and Commerce of the Provisional Government of the Irish Free State on 1st April, 1922.

of the Unemployment Fund. He is also invested with powers to make Regulations generally for carrying the Acts into effect; to decide, subject to a right of appeal to the High Court, whether any person is within the scope of the Insurance Scheme; to extend the scheme by Order to certain employments at present excepted under the statutes, and to approve special schemes of insurance by industries.

The work of administration* is carried out by (a) the Employment and Insurance Department of the Ministry of Labour; (b) the Claims and Records Office of the Ministry of Labour at Kew; (c) the seven Divisional Offices of the Ministry and (d) the Employment Exchanges and Branch Employment Offices.

The Employment Exchanges and Branch Employment Offices are the chief local agencies of administration. Their work in this connection is supervised by the Divisional Controller for their area who in turn is responsible to the Employment and Insurance Department of the Ministry.

At the same time provision is made for the transfer of administrative work in certain circumstances. Under the Act of 1920 arrangements can be made with Trade Unions or other Associations, under which the latter pay unemployment benefits under the Acts to their members and subsequently recover from the Fund any sums of money disbursed in lieu of State unemployment benefit and receive in addition a payment in aid of their administrative expenses. Before an arrangement of this kind can be made, three main conditions must be satisfied. In the first place the rules of the Association must provide for payment out of its own funds, of benefit at a minimum rate in addition to the amount of the benefit payable under the Acts. Secondly, the Association must have a satisfactory system of ascertaining the wages and conditions prevailing in any employment in which its members are engaged, of obtaining from employers notification of vacancies for employment and of communicating such vacancies to their members. Thirdly, the Association must have a satisfactory system for requiring its unemployed members to furnish evidence of the fact that they are unemployed. At the moment such arrangements are in operation with about 140 Associations.

Reference has been made above (Section 1 of this Chapter) to the provision made in the Unemployment Insurance Act, 1923, for the administration of unemployment benefit for juveniles, i.e., persons of the age of 16 and under the age of 18, under which schemes may be approved by the Board of Education and the Ministry of Labour enabling a Local Education Authority to undertake the administration of such benefit.

Finally, under the Unemployment Insurance Act, 1920, power was conferred upon the Minister of Labour to approve special schemes by which individual industries might contract out of the general scheme and might set up and administer independently a special scheme of insurance against unemployment for persons engaged in the industry. The right to form special schemes has since been suspended for so long as the Unemployment Fund is in debt to the Exchequer. One special scheme (for the insurance industry) was formed and is now in force and another (for the banking industry), which was submitted before the suspension of the Minister's power of approval, is under consideration.

The contributions of employers and workers are collected by the sale through the Post Office of stamps of appropriate denominations which must be affixed periodically to an Unemployment Book issued to every insured contributor and renewed annually. The responsibility for affixing the stamps rests with the employer who is allowed by statute to deduct the amount of the worker's contribution from wages. Records of the

* See Section 1 of this Chapter above.

contributions paid are maintained in the name of each individual worker at the Claims and Records Office of the Ministry of Labour. The due payment of contributions by employers and workers is enforceable in a Court of Summary Jurisdiction and the Statutes provide for the imposition of penalties for non-payment.

The Statutes and the Regulations made thereunder by the Minister lay down the general lines of procedure in accordance with which claims to benefit are settled (see paragraphs 6 (h) and 8 (c) (2) below). The machinery includes:—

- (1) Insurance Officers formally appointed by the Minister of Labour, charged with the duty of determining in the first instance, whether the statutory requirements have been satisfied. All Employment Exchange Managers, Branch Employment Officers and in addition certain other officers employed in Exchanges are appointed to be Insurance Officers. They may allow benefit in straightforward cases, but all cases in which doubt arises are referred to the Chief Insurance Officer at the headquarters of the Ministry.
- (2) Courts of Referees, appellate bodies consisting of an independent chairman usually possessing legal qualifications and appointed by the Minister of Labour, and two other members taken from panels of employers' and workers' representatives, respectively. There are 78 Courts of Referee areas in Great Britain.
- (3) The Umpire, the highest appeal tribunal, an independent judicial officer appointed directly by the Crown.
- (4) The Local Employment Committees attached to the Employment Exchanges (see Section 1 of this Chapter above), who assist the Minister in the administration of the scheme by reviewing and making recommendations upon claims to benefit under the emergency legislation referred to in paragraph 1 above. In carrying out these functions they usually act through sub-committees known as Rota Committees, consisting normally of two persons representing employers and employed who need not necessarily be members of the main committee. Membership of Rota Committees is subject to the approval of the Minister who, however, leaves to Committees a wide latitude in the selection of members. Juvenile Employment Committees and Port Labour Committees assist the Minister on the same lines as Local Employment Committees in dealing with similar classes of claims made by juveniles and workers at the ports respectively.

The payment of benefit is made in most cases at Employment Exchanges and Branch Employment Offices by officers of the Ministry of Labour. In cases where arrangements are in operation with Associations (see para. 2 above), benefit is paid under arrangements made by the Associations themselves.

Benefit is normally paid on Friday for the period running from Thursday in the previous week to the Wednesday in the week of payment.

3. *Scope of the Scheme.*

The scheme, it is estimated, covers some 12 million workers in Great Britain. Subject to the exceptions noted below, all persons of the age of 16 and upwards employed under a contract of service or apprenticeship (including employment on a British ship) or under any Local or other Public Authority must be insured under the scheme. Such persons are known as "insured contributors."

The following are the more important classes of employment excepted by statute from the operation of the scheme:—

- (1) Agriculture, including horticulture and forestry.
- (2) Domestic service, except where the employed person is employed in a trade or business carried on for the purposes of gain.

- (3) Employment otherwise than by way of manual labour at a rate of remuneration exceeding £250 a year.
- (4) Employment as a professional nurse for the sick.
- (5) Employment in the Naval, Military or Air Forces of the Crown (see, however, paragraph 7 below).
- (6) Employment in a permanent capacity as a member of any police force to which the Police Act of 1919 applies.
- (7) Employment as a teacher under certain conditions.
- (8) Employment as an established Civil Servant.
- (9) Employment as an agent in certain circumstances.
- (10) Casual employment otherwise than for the purpose of the employer's trade or business, or otherwise than for the purpose of any game or recreation where the employees are engaged or paid through a club.
- (11) Subsidiary employment in certain occupations specified by order of the Minister of Labour.
- (12) Employment as a member of the crew of a fishing vessel where the employed person is wholly remunerated by a share of the profits or earnings.
- (13) Employment in the service of the husband or wife of the employed person, and unpaid employment where the employer is a parent or maintains the employee.
- (14) Employment under a contract of apprenticeship without money payment.
- (15) Employment under Local Authorities, railway companies, public utility companies, and certain other undertakings, if the Minister of Labour certifies that the employment is permanent in character and that in the circumstances of the case insurance against unemployment under the Acts is unnecessary.

There is no upper age limit governing eligibility for insurance under the scheme, and contributions are payable in respect of employed persons over 70 under the same conditions as those applicable in the case of persons under that age. State old age pensioners are, however, excluded from the operation of the scheme; no contributions are payable in respect of them and they are not eligible for benefit.

Out-workers, i.e., persons who take out work to be done in their own homes and not under the control or supervision of the employer, are not in general engaged under a contract of service and are therefore not ordinarily covered by the Unemployment Insurance scheme.

Exemption may be granted by the Minister of Labour from the payment of the employees' share of the contributions to (1) persons with a pension or income not dependent on personal exertions of at least £28 a year; (2) persons ordinarily or mainly dependent for their livelihood on some other person; (3) persons ordinarily or mainly dependent for their livelihood on earnings derived from an occupation which is not employment within the meaning of the Acts. Exempt persons are not eligible for the receipt of benefit but the employers of such persons continue to be liable for the employers' contribution.

4. Rates of Contribution.

The rates of contribution have been raised during the period of exceptional unemployment. The weekly rates at present in force are set out in the following table:—

Class of Employed Person.	Employed Person's Contribution.	Employer's Contribution.	State Contribution.
	d.	d.	d.
Man of 18 or over ...	9	10	6½
Woman of 18 or over ...	7	8	5½
Boy under 18... ..	4½	5	3½
Girl under 18... ..	4	4½	3½

Lower contributions than the above are payable by the State in the case of persons exempted from the payment of the employees' contributions.

5. Rates of Benefit.

Benefit is payable to an insured contributor during unemployment (a) in respect of the insured contributor himself, (b) in certain circumstances in respect of the insured contributor's dependants. The rates of benefit at present payable in respect of the unemployment of an individual insured contributor are: men of 18 and over, 15s. per week: women of 18 and over, 12s. per week: boys between 16 and 18, 7s. 6d. per week: girls between 16 and 18, 6s. per week. The additional benefits in respect of dependants payable to insured persons who are themselves receiving Unemployment Benefit are: to a married man in respect of his wife, 5s. per week: to a man or woman in respect of children under 14 years of age, 1s. per week for each child: to an unmarried man or widower in respect of a housekeeper residing with and being maintained by him for the purpose of having the care of his dependent children, or a female person who has been, and is living with him as his wife, 5s. per week: to a wife in respect of her invalid dependent husband, 5s. per week.

Unlike the rates of benefit under the National Health Insurance scheme, which are subject to reductions and adjustments in various circumstances, the rates of benefit payable under the Unemployment Insurance scheme set out above are constant in their application to the several classes of persons entitled to benefit. Under the Unemployment Insurance scheme no provision is made for partial disqualification, taking the form of a reduction of daily rates of benefits on account of arrears of contributions. Benefit is either granted at the full daily rate or is withheld altogether by virtue of the qualification or disqualification of the insured person. These considerations apply equally to the permanent and to the emergency schemes.

6. Unemployment Benefit under the Permanent Scheme.

(a) *General.*—(i) *Unemployment within the meaning of the Acts.*—Under the Unemployment Insurance Acts a person is regarded as unemployed only on a day on which he follows no remunerative occupation. The only exception to this is in the case of an occupation that has ordinarily been followed in addition to the usual occupation, and outside the ordinary working hours of the usual occupation. A claimant to benefit who has lost his main employment may earn up to 3s. 4d. a day at such subsidiary occupation without ceasing to be regarded as unemployed within the meaning of the Acts.

(ii) *Waiting Period and Continuity of Unemployment.*—Provision is made under the scheme for a waiting period of unemployment in respect of which no benefit is payable. This waiting period is six days of continuous unemployment. Any three or more days of unemployment, whether consecutive or not, within a period of six consecutive days are treated as days of continuous unemployment, and any two "continuous" periods of three or more days separated by less than three weeks are treated as a single period of "continuous" unemployment. Thus two periods of three days each linked together in this way complete the waiting period. Under this rule a fresh waiting period after short spells of employment is in many cases not required. (This rule of continuity was introduced on 12th April, 1923, by the Unemployment Insurance Act, 1923, and is in general more favourable to insured contributors than the old rule, especially in its application to casual workers.)

(b) *Periods of Benefit.*—One week of benefit is payable in respect of every six contributions paid by the claimant. Not more than 26 weeks of benefit* may be drawn in a period of 12 months. Under the original

* Originally only 15 weeks of benefit might be drawn in any one Insurance Year.

statutory conditions, this period was the Insurance Year, running from July to July, but as from 18th October, 1923, the period during which the maximum of 26 weeks' benefit may be drawn is a Benefit Year running from mid-October to mid-October. The year running from July to July is to be retained as an Insurance Year for contribution purposes. (See below para. 8 (b) as regards the suspension of Insurance Year periods during the present period of exceptional unemployment.)

(c) *Conditions for Receipt of Benefit.*—The statutory conditions for the receipt of Unemployment Benefit by an insured contributor are:—

(1) *Payment of contributions:—*

- (a) A claimant must prove that not less than twelve contributions have been paid in respect of him and that he has not exhausted all his contributions.
- (b) If no contributions have been paid during an insurance year, except by reason of sickness, the claimant must pay 12 further contributions before the right to benefit accrues.
- (c) If less than twenty contributions have been paid since the beginning of the last preceding insurance year the claimant must show usually to the satisfaction of the Local Employment Committee that he is:
 - (i) normally employed in an insurable employment; and
 - (ii) genuinely seeking but unable to obtain whole-time employment.
- (d) If no contributions are paid in respect of a person for a period of five insurance years any contributions paid before that period are ignored and the person must requalify in the same way as a new entrant into insurance.

- (2) A claimant must make application for benefit in the manner prescribed by the Minister of Labour, and must show that since the date of his application he has been "continuously unemployed" within the meaning of the Acts. As will be seen from the description of the continuity rule given above, intermittent employment does not necessarily prevent a person from being regarded as "continuously unemployed" within the meaning of the Acts.
- (3) A claimant must be capable of work, available for work, i.e., in a position to accept work if offered to him, and unable to obtain suitable employment.
- (4) A claimant must prove that, if he has been required by an Insurance Officer in pursuance of Regulations made by the Minister of Labour, after consultation with the Board of Education, to attend at any course of instruction approved under the Regulations so made, he duly attended in accordance with the requirement.

The necessary Regulations (the Unemployment Insurance (Course of Instruction) Regulations) were made in 1921, but in practice this condition is only enforced in the case of juveniles between the ages of 16 and 18 who are insurable under the Acts (*see also* Section 4 of this Chapter).

The question whether any employment is suitable employment can only be determined in the light of the facts in each particular case. Certain general rules with regard to the character of the vacant situation and to wages and conditions if the employment is to be regarded as suitable are, however, laid down by statute. An applicant is not regarded as having failed to satisfy the rule only because he has refused an offer of employment in a situation vacant in consequence of a stoppage of work due to a trade dispute; or if the vacant situation is in the workman's own district and the rate of wages offered is lower or the general conditions

less favourable than those which he habitually obtains in his usual employment in that district, or would have obtained had he continued to be so employed; or if the employment is in any other district and the rate of wage is lower and the conditions less favourable than those generally observed in that district by agreement between associations of employers and employees, or failing any such agreement, than those generally recognised in that district by good employers.

(d) *Disqualifications for Receipt of Benefit.*—An insured contributor is disqualified for the receipt of unemployment benefit in the following circumstances:—

- (1) If he has lost employment through misconduct, e.g., wilful breach of workshop rules, bad time keeping, or if he has left his employment voluntarily without just cause.
- (2) If he is unemployed by reason of a stoppage of work due to a trade dispute at the factory, workshop or other premises where he was employed, whether he himself was or was not engaged in the dispute. This is subject to an exception under which, in any case where separate branches of work which are commonly carried as separate businesses in separate premises, are carried on as separate departments on the same premises, each of these departments is deemed to be a separate factory, workshop, or premises.
- (3) If he is an inmate of any prison or workhouse or other institution supported wholly or partly out of public funds.
- (4) If he is in receipt of any sickness or disablement benefit under the National Health Insurance scheme, or if he is resident permanently or temporarily outside the United Kingdom.
- (5) If he is in receipt of a State old age pension.

(e) *Conditions attaching to the Receipt of Dependants' Benefit.*—Dependants' Benefit is only payable for a period in which an insured contributor is himself entitled to receive ordinary benefit. The following conditions apply to claims for Dependants' Benefit:—

- (1) *A Claim in respect of a Wife.*—The wife must be either living with the claimant or be wholly or mainly maintained by him.
- (2) *A Claim in respect of a Housekeeper.*—
 - (a) The claimant must be a widower or an unmarried man.
 - (b) The housekeeper must be residing with the applicant for the purpose of having the care of his dependant children, and must be maintained by him.
- (3) *A Claim in respect of a Female Person living with the Claimant as his Wife.*—
 - (a) The claimant must be a widower or an unmarried man.
 - (b) The female person must have been living with the claimant as his wife, and must still be living with him as his wife.
- (4) *A Claim in respect of a Husband.*—The husband must be prevented, by physical or mental infirmity, from supporting himself, and must be wholly or mainly maintained by his wife.
- (5) *A Claim in respect of Children.*—
 - (a) The children must be sons or daughters, or stepchildren or adopted children of the claimant, and must be wholly or mainly maintained by him (or her).
 - (b) The children must be under 14 years of age, or, if between 14 and 16 years of age, must be under full-time instruction in a day school.

In no circumstances is dependants' benefit payable in respect of children of 16 years of age or over.

(f) *Disqualifications for the Receipt of Dependants' Benefit.*—Dependants' Benefit cannot be paid in respect of any adult dependant who—

- (1) is in receipt of Unemployment Benefit under the Unemployment Insurance Acts, 1920-23;
- (2) is in regular wage-earning employment;
- (3) is engaged in an occupation ordinarily carried on for profit.

(g) *Establishment of Claim to Benefit—Satisfaction of Conditions.*—The principal methods adopted by the Ministry of Labour to obtain proof that the statutory conditions for the receipt of benefit are fulfilled by an insured contributor are—

- (1) *Proof that the claimant is genuinely unemployed and available for work.*—In all ordinary cases an applicant is required to attend in person at the nearest Local Office of the Ministry to make a claim, giving his name and address and other necessary particulars, including the employer with whom he was last employed. The claim includes a declaration which the claimant must sign, that the particulars supplied are correct. Any claimant who knowingly supplies false information renders himself liable on conviction to imprisonment for a maximum term of three months with or without hard labour. Statements made in relation to claims to dependants' benefit must be confirmed by some person of standing. The applicant is also required to lodge his Unemployment Book at the Local Office and to leave it there so long as he remains unemployed. He has then to attend on every day (or exceptionally on certain days only) during hours normally regarded as working hours, to give proof of unemployment, his physical presence being regarded as *prima facie* evidence that he is, in fact, unemployed and available for work. In the case of juvenile applicants who have been required to attend an "approved course of instruction" (juvenile unemployment centre) as a qualifying condition for the receipt of benefit, a certificate from the superintendent of the "centre" that the applicant was in attendance on specified dates is accepted in lieu of attendance at the Exchange on those dates as proof of unemployment. The Local Office further does everything possible to find the applicant suitable employment. In this respect the functions performed by the placing machinery provided by the Employment Exchange organisation may be compared with the part played by the doctor under the National Health Insurance scheme. The doctor tests the genuineness of the sickness and disablement alleged by an applicant for benefit under the National Health Insurance scheme and by means of medicine and treatment helps to restore him to good health. The placing machinery of the Employment Exchange organisation, particularly in normal times, tests the genuineness of unemployment by the offer of jobs and assists the unemployed person to find new work.

Applicants claiming benefit through Associations must comply with the special rules laid down by their Associations as well as satisfy the statutory conditions for the receipt of benefit under the Acts. Such applicants either sign the unemployed register at the Exchanges or the vacant book of their Association at the place where this vacant book is kept.

- (2) *Reference to last employer.*—In order to ascertain the circumstances in which the previous employment was terminated, the Local Office of the Ministry of Labour communicates with the claimant's last employer.

- (3) *Reference to contribution record.*—Every fresh claim to benefit is referred to the Central Contribution and Benefit Record maintained by the Finance Department of the Ministry of Labour.
- (4) *Investigation of Claims.*—Investigation by personal enquiry into the circumstances of applicants is made by local officers of the Ministry in cases where there is any reason to doubt the genuineness of a claim and in a proportion of apparently straightforward cases. Further, general test investigations are made from time to time into all claims dealt with at selected Exchanges.
- (5) *Satisfaction of Special Conditions when the applicant has paid less than 20 contributions since the beginning of the last preceding Insurance Year and of conditions attached to the receipt of Dependants' Benefit.*—The question whether such an applicant is normally employed in insurable employment and is genuinely seeking but unable to obtain whole-time employment is referred for consideration and advice to the Local Employment Committee for the area, who make recommendations to the Minister after interviewing the applicant and taking into account all the circumstances of his case in the light of their special knowledge of the local employment situation. Claims to dependants' benefit are similarly reviewed by Local Employment Committees.

(h) *Determination of Claims.*—A claim to benefit other than a claim to dependants' benefit, or a claim raising questions under sub-section (c) (1) (c) above, is considered in the first instance by an Insurance Officer. Any claimant who considers that his claim to benefit has been disallowed for insufficient reason may at any time within 21 days appeal to a Court of Referees. If the Insurance Officer disagrees with the recommendation of a Court of Referees he must, if required by the Court, refer the matter to the Umpire. Any Association of employed persons may appeal to the Umpire against a recommendation of a Court of Referees on behalf of a member, and an individual worker may so appeal with the consent of the Court. The Umpire's decision is in all cases final and conclusive.

The final decision upon the question whether the additional conditions imposed on applicants for benefit who have not paid 20 contributions since the beginning of the last preceding Insurance Year and whether the qualifying conditions for the receipt of dependants' benefit are satisfied rests with the Minister of Labour, who, in all ordinary cases, accepts the recommendation made to him on the matter by the Local Committee. The decision of the Minister on these questions is final and conclusive and is not subject to any appeal.

7. *Special Provision for Sailors, Soldiers and Airmen.*

Seamen, marines, soldiers and airmen discharged from the Forces since 31st July, 1920, that is, men who, at the date of discharge, were not serving on a duration of war attestation, are, with certain exceptions, credited under the permanent scheme with a fixed number of contributions—at present 166—which enable them to draw, if necessary, unemployment benefit for 26 weeks after discharge. The necessary sums to enable these contributions to be credited to ex-service men on discharge are paid into the Unemployment Fund by the Admiralty, Army Council and Air Council, respectively.

8. *Emergency Scheme.*

(a) *General.*—The Unemployment Insurance Act, 1920, which brought within the scope of the Insurance scheme about eight million new contributors, came into force at a moment when the great trade depression, which has continued ever since, was beginning to make itself felt.

Transitional provisions included in the Act of 1920 allowed some relaxation of the conditions of the permanent scheme during the first twelve months of the operation of the Act. Without these provisions (which were extended by an Act of December, 1920) many of the new entrants would have had very little assistance under the Act for a prolonged period. They could not have qualified for benefit until they had paid 12 contributions and thereafter could only have drawn one week's benefit for every six contributions. These rules would have very largely excluded from benefits very large numbers who have suffered most severely from unemployment since the end of 1920.

This temporary relaxation of conditions during the transitional period, however, proved itself at a very early stage to be inadequate in the abnormal circumstances of the time, and it was accordingly found necessary further to modify the provisions of the permanent scheme governing the grant of benefit on the strict basis of contributions paid, known as "covenanted benefit," and to introduce an emergency scheme. The emergency scheme has been developed since 1920. It was introduced substantially by the Unemployment Insurance Act, 1921, passed in the spring of that year, and has been amplified and extended subsequently by a number of further statutes, the most recent of which came into operation in April, 1923.

Under the emergency scheme two main forms of provision have been made:—

- (i) By the suspension of the statutory conditions in respect of the qualifying number of contributions, grants of benefit have been authorised for which claimants have not qualified by the payment of the requisite number of contributions; this form of benefit is known as "uncovenanted benefit". It is in essence benefit allowed in advance of the payment of contributions and on the faith of contributions to be paid in the future by insured contributors generally.
- (ii) By disregarding all benefits received during a certain period of time contributions already exhausted have been revived, and insured contributors have been enabled to claim covenanted benefit on the basis of past contributions. Further, on one occasion, the number of contributions standing to the credit of a contributor so revived has been regarded as doubled. The revival of contributions has been introduced only since November, 1922.

(b) *Periods of Benefit under the Emergency Scheme.—Gaps.*—The Insurance Year periods of the permanent scheme in each of which originally only 15, and later 26, weeks of benefit might be paid out, have been replaced under the emergency provisions for certain purposes by four Special Periods:—

First Special Period from 3rd March, 1921, to 2nd November, 1921.

Second Special Period from 3rd November, 1921, to 5th April, 1922.

Third Special Period from 6th April, 1922, to 1st November, 1922.

Fourth Special Period beginning 2nd November, 1922, and originally fixed to terminate on the 1st July, 1923, but extended by the Unemployment Insurance Act, 1923, to the 17th October, 1923.

These Special Periods have applied to the payment both of covenanted and uncovenanted benefit. During the First, Second and Third Special Periods benefit was payable for a maximum period of 22 weeks. During the extended Fourth Special Period the maximum period of benefit was 44 weeks out of the total of 50 weeks included in the period. At all stages under the emergency provisions a person having contributions to his credit has been able to obtain at least the amount of benefit to which he would have been entitled under the permanent scheme, and persons having covenanted rights have in general, on the exhaustion of these rights, been able to receive uncovenanted benefit up to the prescribed maximum for the period.

As from 18th October, 1923 (when the extended Fourth Special Period came to an end), the Unemployment Insurance Act, 1923, provided for the introduction of a "Benefit Year" for the purpose of the payment of benefit. The first Benefit Year is to run till the 15th October, 1924, and subsequent Benefit Years will run from mid-October of one year to mid-October of the following year. A maximum of 26 weeks' covenanted benefit will be payable in a Benefit Year. During the first Benefit Year, uncovenanted benefit also continues to be payable. The period for which uncovenanted benefit may be drawn during the first Benefit Year is within the discretion of the Minister of Labour, subject to a maximum period of 26 weeks. In the first instance the Minister has decided that 12 weeks' benefit may be drawn. The question whether the further 14 weeks of benefit might be granted was left to be considered later. There is no provision for the continuance of uncovenanted benefit after the first Benefit Year.

In all Special Periods there have been intervals during which persons who have received the maximum number of weeks of benefit permitted by the statute in any given Special Period have not been able to obtain unemployment benefit under any conditions. Thus, during the extended Fourth Special Period the maximum number of weeks of benefit is 44 out of a total of 50 weeks included in the period. During the first Benefit Year commencing 18th October, 1923, benefit is payable for a maximum of 26 weeks only.

In addition, provision has also been made within the periods for "gaps" during which benefit was not payable. A gap of this character was first introduced during the third Special Period. During the extended Fourth Special Period an interval of two weeks without benefit was required to elapse after the claimant had received benefit for 22 weeks since the beginning of the period on 2nd November, 1922. This interval had to elapse whether the benefit received had been covenanted or uncovenanted, or partly covenanted and partly uncovenanted.

During the first Benefit Year commencing 18th October, 1923, if uncovenanted benefit is granted beyond 12 weeks, there will be an interval of three weeks without benefit for all claimants who have drawn 12 weeks' uncovenanted benefit since the beginning of the Benefit Year.

(c) *Uncovenanted Benefit under the Emergency Scheme.*—(1) *Qualifying conditions.*—The grant of uncovenanted benefit is in all cases within the entire discretion of the Minister of Labour who may authorise such benefit if it appears to him that having regard to all the circumstances it is expedient in the public interest that benefit should be allowed. All the conditions applying to the grant of covenanted benefit under the permanent scheme apply to the grant of uncovenanted benefit under the emergency scheme, other than the specific conditions as to the qualifying number of contributions for receipt of benefit. Certain additional statutory conditions must, however, be fulfilled in each case before uncovenanted benefit can be authorised:—

(a) *An employment qualification.*—The present qualification required is that 20 contributions must have been paid, at some time since July, 1912, or alternatively, that having regard to the opportunities of employment in his normal occupation, the claimant has, since the end of 1919, been employed for a reasonable length of time in an occupation which is now insurable, or in the case of a person formerly engaged in war service, that he had been so employed before joining the Forces, or that owing to his youth he had had no opportunity of being so employed. A period of training under the Ministry of Labour or the Ministry of Pensions in an occupation of an insurable kind, may count as employment for this purpose in the case of persons formerly engaged in war service.

(b) The claimant must prove that he is normally in employment of an insurable kind. Uncovenanted benefit cannot, for example, be obtained by a person who is normally employed in agriculture or in private domestic service.

(c) The claimant must prove that he is genuinely seeking whole-time employment but unable to obtain it. The Unemployment Insurance Act, 1923, has made an amendment in this condition for the benefit of disabled ex-Service men, who, although prevented by their disability from undertaking whole-time employment, are genuinely seeking employment to the extent permitted by their disability.

In the exercise of his discretion, the Minister has decided that it is not expedient in the public interest that uncovenanted benefit should ordinarily be paid to the following classes of persons:—

- (1) *Single persons* (both juveniles and adults, and including widows and widowers without dependent children) who are residing with parents or relatives to whom they can reasonably look for support. Due weight is given to considerations of age, especially in the case of persons over the age of 25.
- (2) *Married women* living with their husbands if the husband is in employment and is earning sufficient to justify the withholding of uncovenanted benefit from the wife. A similar limitation may also be applied to married men whose wives are in employment.
- (3) *Persons who are working short-time* and who are earning sufficient to justify the withholding of uncovenanted benefit. Ordinarily, benefit is withheld if such persons are earning on the average half, or more than half their normal earnings.
- (4) *Persons who are unwilling to accept on fair terms and conditions work other than that to which they are accustomed*, but which they are reasonably capable of performing.
- (5) *Aliens, other than—*
 - (a) British-born wives and British-born widows of aliens;
 - (b) Aliens who served with H.M. Forces (or in certain cases as merchant seamen) during the late war;
 - (c) Aliens, other than former enemy aliens, who have been continuously resident in this country since the 1st January, 1911.

These limitations are generally designed to eliminate the persons least in need of assistance. Regard is, however, had to the circumstances of each individual case, and a claim by a person in any of the above classes may be allowed if definite hardship would be caused by disallowance.

All claims for uncovenanted benefit are referred in the first instance, for consideration and recommendation as to allowance, to the Local Employment Committee (or Juvenile Employment Committee or Port Labour Committee) for the area, who review the case in the light of their knowledge of the local employment situation and of the directions issued to them from time to time by the Minister, embodying his decisions as to the lines on which uncovenanted benefit should be administered. The rota committees of the Committee by which such applications are ordinarily dealt with invite the claimant to attend in person in practically all cases for the hearing of his claim. No application is refused without giving the applicant the opportunity of attending, but on the other hand no application is allowed if the applicant who is summoned fails to attend without good cause.

(2) *Determination of Claims to Uncovenanted Benefit.*—Complete discretionary authority to admit or reject a claim to uncovenanted benefit rests with the Minister of Labour whose decision on any question as to the application of the special qualifying conditions set out in subsection (1) above is final and conclusive and not subject to appeal to any Court. In practice, in the great majority of cases, the Minister acts in accordance with the recommendation of the Local Committee.

The Minister's discretionary authority in respect of uncovenanted benefit is a power to admit under certain conditions the validity of a claim to benefit, which would not, on the basis of the number of contributions paid by the claimant, otherwise be valid under the permanent

scheme. Once the additional conditions set out in sub-section (1) above have been satisfied all the conditions governing the grant of covenanted benefit under the permanent scheme, other than contribution conditions, still apply, and any dispute arising out of the interpretation of these conditions rests with the same authorities as in the case of an ordinary claim to covenanted benefit under the permanent scheme, viz. the Insurance Officer, Court of Referees and Umpire.

(d) *Covenanted Benefit under the Emergency Scheme during the Fourth Special Period, and First Benefit Year.*—Under the provisions of the Acts of April, 1922, and April, 1923, an endeavour has been made to return in some measure to the application of the contributory principle. During the earlier Special Periods it is probable that on the average the number of claimants receiving uncovenanted benefit was more than half of the total number of claimants. Under the special provisions relating to covenanted benefit during the Fourth Special Period (including the extended Fourth Special Period), however, the majority of claimants received benefit on the basis of contributions.

Under these special provisions:—

- (1) no account was taken of any benefit drawn between the 7th November, 1920 (commencement of the Act of 1920), and the commencement of the Fourth Special Period (2nd November, 1922). The effect of this was that all contributions paid during the period of two years (and all unexhausted contributions carried over from the repealed Acts) were treated as available for benefit during the Fourth Special Period, even although they had already been exhausted by the receipt of benefit since November, 1920;
- (2) the number of such contributions was, during the Fourth Special Period, treated as doubled.

During the First Benefit Year, beginning 18th October, 1923, no account is taken of any benefit drawn between 7th November, 1920 (commencement of the Act of 1920) and the beginning of the First Benefit Year. The effect of this is that all contributions paid during the period of 3 years (and all unexhausted contributions carried over from the repealed Acts) are available for benefit during the First Benefit Year even although they had already been exhausted by the receipt of benefit. These contributions will remain available for benefit in the First Benefit Year, not only if they have been exhausted by benefit received before the Fourth Special Period, but even if they have again been exhausted by benefit received in respect of them during the Fourth Special Period under the special provision set out in (1) above. The number of contributions, however, is not treated as doubled.

SECTION 3.—THE PROVISION OF RELIEF WORK.

1. *Introductory.*

The provision of work by Public Authorities is an old-established remedy for the relief of unemployment in times of industrial depression, and one to which recourse was frequently had during the latter half of the 19th century and in the years before the war. This remedy has again been applied during the depression which began in 1920, and on a larger scale than ever before.

Before the war, schemes of relief work were ordinarily undertaken by Local Authorities without financial assistance from the Central Government, and schemes of work were also organised by Distress Committees, formed under the Unemployed Workmen Act, 1905, assisted by small grants from State funds. During the present depression a number of schemes have been undertaken independently by Local Authorities, but Distress Committees have taken little or no part in the organisation of work.

The character and extent of the depression which set in during 1930 were such, however, that in order to make relief works an effective part of the general system of provision for unemployment, more extensive schemes were required than any which could be undertaken solely out of the funds of Local Authorities, many of whom were themselves in a difficult financial position. In these circumstances the Central Government has intervened; Local Authorities and other public bodies have been encouraged by the offer of assistance from national funds to anticipate capital expenditure and to put in hand works of public utility with the object of providing employment in areas specially affected by the depression. As a result the great majority of the schemes of relief work undertaken during the last two and a half years have been put in hand with financial help from the National Exchequer.

Apart from schemes designed to stimulate normal trade activity, such as the scheme under the Trade Facilities Acts by which the Government guarantees principal and interest on money raised for capital expenditure on approved works giving employment in this country, the Export Credits Scheme by which the Government uses its own credit to assist exporters in this country to trade with customers finding early payment difficult owing to the exchange and other handicaps, and the acceleration and anticipation of the normal Government Department programmes, the grant of financial assistance to Authorities who are prepared to undertake works which will assist unemployment is mainly made through two Central Authorities, the Ministry of Transport, and a Treasury Committee known as the Unemployment Grants Committee. Grants of assistance have also been made at various times by the Ministry of Agriculture and Fisheries in England and Wales, the Board of Agriculture in Scotland, and the Forestry Commission.

2. *Grants of Assistance to Local Authorities by Ministry of Transport.*

The Ministry of Transport, in the ordinary course, provides assistance at the rate of 50 and 25 per cent. respectively towards the cost of maintenance and improvement of first and second class roads, as well as grants towards the cost of major improvements and of new roads. The Ministry is, however, required under the Development and Road Improvement Funds Act, 1909, to have regard, so far as reasonably practicable, to the general state and prospects of employment, and, under the circumstances, in allocating the funds available, after allowing for grants which are being made in respect of ordinary improvement and maintenance of classified roads, and within the limits of the sums set aside for the purpose out of the revenue of the Road Fund, the Department gives priority of consideration to road improvement works on first and second class roads, or new roads which have classification value, where the Minister of Labour certifies that the area in which the work is to be undertaken is one in which serious unemployment exists which is not otherwise provided for. The grants ordinarily amount to half the total cost of the works undertaken, and are subject to the conditions that unskilled labour is to be employed to the fullest extent practicable; that 75 per cent. of the workers employed are ex-Service men; that all unskilled labour is obtained from the Employment Exchanges, or in certain cases, by arrangement with Boards of Guardians, and that unless the work is carried out by contract, all workers other than tradesmen employed in their own trade and fully qualified navvies, shall receive, for a probationary period of six months, a rate of wages not in excess of 75 per cent. of the Local Authority's rate for unskilled labour. This wages condition was imposed primarily to enable the money available to be spread out as widely as possible.

In furnishing labour for work on these schemes, Employment Exchanges give preference to ex-Service men and where the labour is engaged through Boards of Guardians, the Employment Exchange in the area is furnished with particulars of the workers engaged and a similar preference is given to ex-Service men.

3. *Grants of Assistance by the Unemployment Grants Committee.*

The Unemployment Grants Committee was appointed by the Treasury in December, 1920, for the purpose of granting, out of funds allocated by Parliament, assistance to Local Authorities and certain other public bodies to enable them to carry out approved schemes of relief work. The grant-making power of the Committee has recently been extended to include assistance to private corporations and companies undertaking development work of a public utility character, subject to certain necessary limitations.

At present there are three types of assistance granted by the Unemployment Grants Committee:—

- (a) In respect of works financed out of revenue: 60 per cent. of the wages bill of unemployed men taken on for the work is paid.
- (b) In the case of non-revenue producing works: the Unemployment Grants Committee make grants of 65 per cent. of the interest and sinking fund charges on loans raised for not less than 10 years, up to a maximum of 15 years of grant.
- (c) In the case of revenue producing works financed by loans raised for a period of not less than 10 years: the Unemployment Grants Committee makes grants of 50 per cent. of the interest charges for a period of 15 years or for the duration of the loan, whichever is the less.

The capitalised value of the grants under (b) and (c) is respectively about 37½ per cent. and 25 per cent. of the total cost of the schemes.

The general conditions under which grants are sanctioned by the Committee are broadly similar to those laid down by the Ministry of Transport and the work to be undertaken must be certified by the appropriate Government Department to be work of public utility.

One extension of the system of grants on the basis described in (c) above may be noted. Among the most difficult of the problems created by the current unemployment situation is that of the "skilled man" for whom employment on the ordinary type of relief work is in many respects not satisfactory. In certain cases, therefore, where a Local Authority desires to put in hand works which involve the placing of orders for material, etc., leading to employment of a normal kind in an industry seriously affected by unemployment, a grant may be made, notwithstanding that the area of the Local Authority where the work is to be carried out may not be certifiable as an area in which serious unemployment exists. In such a case, it is the industry rather than the locality that is taken as the certifiable basis.

4. *Other Relief Work.*

The Ministry of Agriculture and Fisheries, the Scottish Board of Agriculture and the Forestry Commission make grants on varying bases in respect of schemes of land drainage and land improvement, improvement and provision of water supply to farmers and afforestation.

SECTION 4.—JUVENILE UNEMPLOYMENT CENTRES.

1. Special provision has been made from time to time for unemployment among juveniles in the form of Juvenile Unemployment Centres with the object of preventing deterioration of character during period of unemployment by keeping the juveniles occupied and interested.

2. Juvenile Centres were first established during the operation of the Out-of-Work Donation Scheme in the twelve months following the Armistice in 1918. They were then administered through the Local Education Authorities by the Board of Education and the Scottish Education Department, and the whole cost of the Centres was borne by the Exchequer. Early in 1921 an attempt was made to revive them by the Board of Education after consultation with the Ministry of Labour, but Local Education Authorities were informed that only one-half of the

approved expenditure incurred by them on the provision of Centres could be borne by the Exchequer, and in these circumstances few Centres were at any time established and only six remained open in January, 1923.

3. In December, 1922, in view of the continued severity of unemployment among juveniles, the Government decided that steps should be taken to institute or re-establish Juvenile Unemployment Centres open to all unemployed juveniles between the ages of 14 and 18 years during the winter of 1922/23. The grant from the Exchequer to Local Education Authorities in respect of approved expenditure was raised to 75 per cent., the administration of the funds provided by the Exchequer was placed in the hands of the Minister of Labour, and the arrangements previously in force for the payment of grants by the Board of Education and the Scottish Education Department were discontinued. Under these new arrangements 102 Centres were opened by Local Education Authorities during the winter and early spring of 1923. Approval of schemes for the establishment of Centres for the purpose of grants from the Exchequer was given for a limited period only and no grant was paid in respect of any Centre which remained open after 31st July, 1923. The scheme, however, has now been once more revived as from 17th September last and is to continue in operation until 17th April, 1924. 70 Centres in the areas of 31 Authorities were open on 31st November, 1923. The number of juveniles in average daily attendance during the week ended 21st November, was 6,976.

4. The arrangements for securing premises and teachers for carrying on the work of the Centres and the framing of the curriculum have been left in the hands of Local Education Authorities, subject to the approval of the Minister of Labour. No attempt has been made to give formal or prolonged courses of instruction but provision has been made at most Centres for physical training and organised games, for teaching various forms of handwork, and in the case of girls, homecraft and for informal instruction and lectures of a useful and interesting kind. Normally the Centres have been open for morning and afternoon sessions on five days in each week, and have been closed on Saturdays.

5. The Centres are recognised by the Minister of Labour as approved courses of instruction (see Section 2 of this Chapter, para. 6 (c)) and accordingly the attendance of juveniles between the ages of 16 and 18 is made, with certain exceptions, a qualifying condition for the receipt of unemployment benefit. The attendance of juveniles between the ages of 14 and 16 years is voluntary, but every effort is made by Local Education Authorities, Juvenile Employment Committees and social organisations to encourage it. For example, arrangements have been made for School Attendance officers, teachers and voluntary workers to interview at the houses of the juveniles school-leavers known to have no employment in view. In suitable cases a letter is subsequently sent to the juvenile or to his or her parents urging the juvenile to attend at the Centre, pointing out the advantage of attendance and giving an outline of the curriculum. In some areas the existence and purpose of the local Centre is made known to the Magistrates with the result that juvenile delinquents who are unemployed at the time proceedings are instituted, are frequently "bound over" by the Magistrates on condition that they attend the Centre so long as they remain unemployed. In some areas the local Boards of Guardians have made attendance at a Centre a condition for the payment of relief.

6. Juveniles attending the Centres are regarded as available for employment at any time and special arrangements are made by Juvenile Employment Committees to bring opportunities of securing work to their notice. Every effort is also made to create and maintain local interest in the centres and in particular to secure the hearty co-operation of local employers of juvenile labour. Visits to the Centre by the Mayor of the district and other prominent local persons are encouraged and invaluable publicity has also been obtained from public meetings and articles in the local Press. In a number of instances the local Juvenile Employment

Committee has been able to induce all the more important employers in the locality not to engage any juveniles except those who are in attendance at the Centre.

SECTION 5.—TRAINING OF UNEMPLOYED WOMEN.

1. After the Armistice a scheme for the training of unemployed women was instituted under theegis of the Ministry of Labour with the object of equipping women, who had been engaged in munitions work or other forms of war work, for appropriate civil occupations. Training in a large variety of women's occupations was given out of public funds under this scheme. Training under the scheme came to an end in 1920.

2. In 1920, the Central Committee for Women's Training and Employment, originally appointed at the outbreak of war to administer the Queen's Work for Women Fund, was re-appointed to carry out, under theegis of the Ministry of Labour, special schemes of work and training for women whose earning capacity or opportunities had been injuriously affected as a result of conditions arising out of the war. For this work a sum of £500,000 was granted to the Committee in January, 1920, by the National Relief Fund (raised by private subscription at the outbreak of the war). The Committee have employed these private funds mainly in the training of women for suitable peace time occupations, including a wide range of professional and commercial occupations. New applications for training under these schemes are no longer accepted, but some trainees have not yet completed their courses.

3. In 1921-2 and 1922-3, owing to the serious unemployment prevailing among women workers, grants amounting to £100,000 were made to the Committee by the Ministry of Labour to assist them in the establishment of Home-craft Centres for the training, with maintenance, of unemployed women who have undertaken to enter resident domestic service. Some 13,000 women have been trained at these Centres and approximately 1,000 are still undergoing training. Employment in resident domestic service is found for trainees on the completion of training at the Centres.

CHAPTER V.

SERVICES PROVIDED BY EDUCATION AUTHORITIES.

SECTION 1.—A. PROVISION OF MEALS BY EDUCATION AUTHORITIES IN ENGLAND AND WALES.

1. *Introductory.*

General Description of Scheme.—The statutory basis of the scheme under which meals are provided for children in public elementary schools by Education Authorities in England and Wales is the Education Act, 1921, which consolidated previous statutory enactments on this subject contained in the Education (Provision of Meals) Acts, 1906 and 1914.

The scheme in intention is primarily of an educational character and its object is broadly to ensure that children attending public elementary schools should not be prevented by lack of food from profiting by the education provided for them. For this purpose provision is made to enable Local Education Authorities to establish canteens in public elementary schools where suitable meals can be provided, in the first place, for children whose parents can pay and from whom the cost of meals can be recovered, and, secondly, for children in respect of whom the Local Education Authority have ascertained that funds, other than public funds, are not available or are insufficient in amount to defray the cost of food supplied. Under the scheme as originally contemplated the provision made appears to have been designed primarily for the first class of children and only incidentally for the second class. The school canteen was regarded potentially as a valuable part of the

general educational machinery of the school, a place where children could receive wholesome meals in comfortable surroundings and under proper supervision at a very low cost. In practice, however, it is mainly in its application to the second class of children, those for whom meals are provided wholly or partially out of public funds, that the scheme has developed, and it is with this aspect of the scheme that the Committee is concerned.

The statutory provisions on which the scheme is based are permissive in character and leave Local Education Authorities with an entire discretion as to the initial adoption of arrangements for the provision of meals in any particular case and with a wide discretion as to the practical application of these arrangements if they elect to assume responsibility under the scheme.

Expenditure out of public funds under the scheme is met partly out of local rates and partly out of grants from the Exchequer.

2. *Machinery of Administration.*

Responsibility for administration is shared between Central and Local Authorities.

The Central Authority is the Board of Education, who exercise a general supervision over Local Education Authorities through the administration of the grants made from the National Exchequer, and through their Inspectors.

The Local Education Authorities are the Education Committees appointed by the Local Government Authorities, County, County Borough, Borough or Urban District Councils, as the case may be, consisting partly of elected members of the Council and partly of co-opted members. The decisions of the Education Committee are ordinarily subject to confirmation by the parent Council. The staff at the disposal of a Local Education Committee for the administration of the scheme consists of the school teachers, whose work in connection with the provision of meals is, however, voluntary, the school medical officers, the school attendance officers and such other officers and servants whose assistance is necessary for the organisation and service of meals.

3. *The Central Authority and the Administration of the Scheme.*

For the first time in the year 1914-15 grants-in-aid amounting to 50 per cent. of the net expenditure incurred in the provision of meals were made by the Central Authority. These grants were conditional upon the general approval by the Board of Education of the arrangements of Local Education Authorities. In 1922, however, owing to the provision of meals by Local Education Authorities on an altogether unprecedented scale the Government decided that the arrangements made by Local Education Authorities for the administration of the scheme should be more closely scrutinised. Local Education Authorities are now accordingly required to submit to the Board of Education full details of the schemes which they propose to adopt, including their anticipated expenditure, and the income scale which they propose to apply in deciding whether, in the case of any particular family, no means or insufficient means are available for the adequate feeding of children attending school. In reaching a decision as to the approval of any arrangements submitted to them the Board themselves have adopted as a rough general guide a standard income scale.

The Board of Education regard as fundamental the principle that the relief of destitution is a matter for Boards of Guardians and that the burden of poor relief must not be transferred to the education rate, and indirectly to the Exchequer, through a misuse of the scheme for the provision of meals for school children, and, with the introduction of the new financial arrangements described above they have sought to impress upon Local Education Authorities the desirability of adhering strictly to this principle in their administration. At the same time, they have not felt justified in refusing outright to sanction schemes of

Local Education Authorities under which money might be expended by the Authority in supplementing relief given by the Guardians so long as the total income of the family falls within the Authority's scale of necessitous cases. In such cases, however, in sanctioning the proposals of the Local Education Authority, they ask for certain special assurances in order to satisfy themselves that the supplementary relief given in the shape of meals is necessary. Moreover, the Board seek to encourage Local Education Authorities, wherever possible, to enter into arrangements with Boards of Guardians providing that, where the Guardians are relieving a family in which there are children, they will grant relief in respect of the children by means of a payment to the Local Education Authority, who will supply the children with meals at the school canteen.

4. *The Local Authorities and the Administration of the Scheme.*

Local Education Authorities have an absolute discretion as to the initial adoption of any arrangements for providing meals for children under the scheme. At present, 219 out of 317 Local Authorities have such arrangements in force. When they have decided to make such arrangements they still retain a wide discretion, subject to the supervision of the Central Authority, in carrying out their arrangements in practice. They may, for instance, provide the meals themselves; or they may make arrangements with independent contractors, or they may assist a voluntary committee in making such provision. They have, further, discretion in determining the degree of necessitousness which may warrant their intervention in any particular case. The income scale which they adopt as a test of necessitousness may and does (though within rather narrow limits, owing to the requirement of approval by the Central Authority) vary in different areas. Its application to particular classes of children varies widely. Some Local Education Authorities, notably the London County Council, now only provide meals for children whose parents are not in receipt of poor relief, a few provide meals only for children whose parents are in receipt of poor relief, while others, again, provide meals for the children of both these classes of parents without distinction. The amount and nature of the food provided may vary within wide limits, while, finally, it is always open to a Local Education Authority to incur expenditure in excess of that recognised for grant by the Central Authority, provided that the excess is met out of local rates. A few Authorities are incurring additional expenditure in this way.

In deciding within the limits of whatever arrangements they may have adopted, whether any particular child is in need of food, the Local Education Authorities are dependent, in the main, upon the opinion of the school teachers and of their medical officers. In general, the case of a child who appears to be suffering from lack of food is reported by the school teacher as a result of observation in class, and the child is then examined by the school medical officer, whose opinion is ordinarily accepted as final.

The methods adopted by Local Education Authorities to ascertain the extent of family means vary widely. The requirement of a declaration by a child's parents of full particulars as to family income in a form similar to that required from applicants for poor relief, investigations by the school attendance officers, and enquiries by members of School Care Committees (on whose advice some Authorities largely rely in the administration of the service) are among the methods adopted.

5. *Extent of the Provision made under the Scheme.*

Prior to the year 1921-22 the highest number of meals provided in any year was slightly in excess of 29½ million, in the year 1914-15, when the net expenditure, i.e., expenditure after the recovery of money from parents who could pay for meals, was £298,238. In 1921-22, however, the number of meals provided rose, owing to the stoppage of

work in the coal mines, to approximately 61½ millions, and the approximate net expenditure to about £950,000. In these circumstances it appeared to the Central Authority that the scheme was being improperly used as a means of relieving destitution, and they accordingly took certain steps, which are described in paragraph 3 above. For the year 1922-23 the amount of the expenditure of Local Education Authorities under the scheme, recognised by the Central Authority for the calculation of grant, was limited to approximately £300,000, and the share of each Local Education Authority of this total was allocated. These measures have resulted in a heavy reduction in the number of meals provided during the year.

SECTION 1.—B. PROVISION OF MEALS AND CLOTHING BY EDUCATION AUTHORITIES IN SCOTLAND.

1. *Introductory.*

General Description of Scheme.—The statutory powers under which certain forms of assistance are provided for school children by Education Authorities in Scotland are embodied in Section 6 of the Education (Scotland) Act, 1908. The essential object of these provisions is broadly the same as that of the corresponding provisions operating in England and Wales, the removal of certain physical disabilities which appear to be preventing a child from taking full advantage of the education provided. There are, however, considerable differences in the methods by which this object is attained and the extent of the provision made under the Scottish scheme.

The statutory provisions of the Scottish scheme lay upon all Education Authorities the express duty of securing the proper care of children found on medical inspection or otherwise to be in a filthy or verminous condition, or unable by reason of lack of food or clothing to take full advantage of the education provided. If a child is found to be in such a condition, the Education Authority are under an obligation to summon the parent or guardian before them to give an explanation of the child's condition. If the explanation is unsatisfactory and the condition of the child is found to be due to wilful neglect, the parent or guardian must be prosecuted. If, however, the Education Authority, or in the event of a prosecution, the Court, are satisfied that the parent or guardian is unable by reason of poverty or ill-health to supply sufficient and proper food or clothing, or to give the child the necessary personal attention, and if no provision is likely to be made by any voluntary agency, the Education Authority must make provision out of public funds for feeding and clothing the child so long as the child is under an obligation to attend school. The Education Authority are further given power to make temporary provision for a child pending the completion of enquiries into the circumstances of the parent or guardian as the result of any prosecution that may have been instituted. They are under an obligation to recover the costs of such emergency provision in all cases in which investigation shows that the parent is able to pay. The public funds out of which expenditure on the provision of assistance for necessitous children in Scotland is made are the funds available for general educational purposes, drawn partly from local rates and partly from the National Exchequer in the form of grants. These grants are block grants for general educational purposes, no grants in aid of expenditure on particular services having been made in Scotland since 1919-20.

The difference between the English and Scottish schemes may be summarised broadly as follows. In the first place, whereas the English system of provision for necessitous school children is permissive and enables the Local Authority to intervene at its discretion, the Scottish system places upon the Local Education Authority a direct duty of intervening in the children's interest in certain circumstances. Secondly, the Scottish system seeks more explicitly than does the English system the attainment of its object by enforcement, through prosecution if necessary, of the

responsibility of parents or guardians. Thirdly, the extent of the provision made in Scotland is wider than in England and Wales through the inclusion of clothing.

2. *Machinery of Administration.*

The Central Authority generally responsible for the administration of the scheme in Scotland is the Scottish Education Department. The Department exercises a certain measure of financial control over Local Authorities through powers of audit and surcharge, through the administration of the block grants for educational purposes made from the National Exchequer in aid of local expenditure upon education, and through a staff of inspectors. It also issues from time to time to Local Authorities recommendatory circulars on general questions of policy. The Local Authorities are the Education Authorities, elected specially every three years for the administration of education in their area.

The staff at the disposal of Local Education Authorities in Scotland is generally the same as that at the disposal of the corresponding Authorities in England and Wales.

3. *The Administration of the Scheme.*

The nature of the duty placed upon Local Education Authorities under the scheme and the fact that no specific grant in aid of expenditure under the scheme is made to Local Education Authorities, place local administration largely outside the control of the Central Authority and Local Education Authorities are not required by the Central Authority to submit for approval their arrangements for carrying out the duties placed upon them by statute. Local Education Authorities have a wide discretion as to the method of providing the assistance to be given under the scheme and as to the degree of necessitousness which warrants their intervention in any particular case. Like Local Education Authorities in England and Wales they adopt as a rough test of family necessitousness an income scale which varies from locality to locality. The application of the income scale to the various classes of children is, however, in the light of a recent ruling by the Law Officers of the Crown for Scotland more narrowly restricted than in England and Wales.

Prior to 1922, assistance had been provided under the scheme for children of parents in receipt of parish relief and to others, without adequate discrimination. When, in the abnormal circumstances which led to the passing of the Poor Law Emergency Provisions (Scotland) Act in 1921 (permitting for the first time the grant of relief to able-bodied poor persons in Scotland—see Chapter II, Part B) Local Authorities continued to assist children of parents in receipt of parish relief, the powers of the Education Authorities were questioned and as a result the opinion of the Law Officers of the Crown was taken. The Law Officers advised that it was primarily the duty of the Poor Law Authorities to provide food and clothing for children whose parents were in receipt of relief from a Parish Council. This opinion, communicated to Local Education Authorities in a Circular issued by the Scottish Education Department (No. 51 of 28th July, 1922) is now being acted on in all but a few parishes in Scotland and as a result provision for children whose parents are in receipt of parish relief is not being made in Scotland except under arrangements for repayment by the Poor Law Authorities.

In Scotland, after the necessitousness of children has been brought to the notice of an Education Authority, that Authority is under an express statutory obligation to carry out a full enquiry into the financial circumstances of the parent or guardian (see paragraph 1 above). The methods of carrying out this enquiry are generally similar to those adopted by Education Authorities in England and Wales in the same circumstances. They vary widely in extent and effectiveness in different localities.

4. Extent of the Provision made under the Scheme.

In the five years prior to the war, the average annual expenditure of Local Education Authorities on the provision of food and clothing was approximately £8,400. During the five years 1914 to 1919 the average annual expenditure rose to approximately £29,000. There were again substantial increases during the years 1919-20 and 1920-21 and in 1921-22 the expenditure rose, mainly owing to the stoppage of work in the coal mines to close upon £360,000. Expenditure has been reduced during the financial year 1922-23 to approximately £83,000.

SECTION 2.—MEDICAL SERVICES.

A. England and Wales.

1. Introductory.

Under the Education Act, 1921*, a duty is laid upon Local Education Authorities, both for elementary and higher education, to make arrangements, subject to the approval of the Minister of Health, for attending to the health and physical condition of children and young persons and for their medical inspection from time to time. Local Education Authorities are also empowered to assist and to co-operate with voluntary agencies in making such arrangements.

The services are provided partly with a view to increasing the general efficiency of the educational system, in the sense that they are designed to remedy physical disabilities likely to prevent children from benefiting to the full from the education provided. They must at the same time, however, be regarded as forming part of the general public health services of the country, inasmuch as they are designed to secure for children in State-aided schools (irrespective of the means of their parents) such medical attention as modern medical science regards as vital to the maintenance of the general standard of health of the community.

The cost of medical inspection is borne entirely out of public funds. As regards medical treatment, however, it is the duty of a Local Education Authority to recover the cost or some part of the cost of services rendered from the parent, unless they are satisfied that the parent is unable by reason of circumstances other than his own default to pay the amount. In practice the amounts so recovered are relatively small. Under present arrangements not less than one-half of the approved net expenditure out of public funds is met out of grants from the Exchequer and not more than one-half out of local rates.

2. Administrative Machinery.

The Central Authority responsible under statute for the approval of the medical arrangements is the Minister of Health. Actually this approval is given by the Board of Education acting as agents for the Minister of Health. The administration of the grants from the Exchequer in aid of expenditure out of public funds is in the hands of the Board of Education.

* The Act of 1921 consolidated previous statutory enactments on this subject contained in the Education (Administrative Provisions) Act, 1907, which imposed upon Local Education Authorities the duty of providing medical inspection for children in Public Elementary Schools and gave them power to provide medical treatment; the Local Education Authorities (Medical Treatment) Act, 1909; and the Education Act, 1918, which converted the power to provide medical treatment into a duty, and added certain provisions relating to institutions for Higher Education.

Note:

PROVISION OF SPECIAL SCHOOLS BY LOCAL EDUCATION AUTHORITIES.

Local Education Authorities in England and Wales and Scotland, in accordance with a duty placed upon them by statute, make extensive educational provision in Special Schools for certain classes of defective children up to the age of 16, who are capable of receiving benefit therefrom, namely for the blind and deaf children, mentally defective children, and physically defective children, the latter class including children who are crippled, delicate, tubercular, etc.

The staff employed by Local Education Authorities in the provision of the services consists in the main of the School Medical Officer (who is usually also the Medical Officer of Health of the area) and his assistants, specialists, such as dentists and oculists, and school nurses (who frequently combine their duties with those of health visitors and nurses under the Maternity and Child Welfare Service).

3. *The Services provided and the Extent of the Provision made.*

There is no obligation under the Act on a parent to submit his child to medical inspection or treatment, but in practice it is now found that very few parents object to inspection. All Local Education Authorities provide for the medical inspection of children and about 312 out of the 317 Authorities have made arrangements for medical treatment. These arrangements take the form of one or more of the following types of provision:

- (a) School clinics for the treatment of some or all of the following defects:—
 - Minor ailments.
 - Defects of vision.
 - Dental defects.
 - Adenoids and enlarged tonsils.
 - Ringworm (by X-rays).
- (b) Contributions to hospitals for treatment facilities provided.
- (c) Treatment of minor ailments in the homes of children.
- (d) Provision of spectacles (either free or at contract prices).

4. *Parents' Payments for the Medical Treatment of their Children.*

The Board of Education have recently felt compelled to exercise a closer supervision than formerly over the arrangements made for parents' payments and Local Education Authorities are now required to submit to the Board full details of the procedure which they propose to adopt in order to ascertain whether a parent is unable by reason of circumstances other than his own default to pay the cost of the treatment of his child.

For this purpose the Board usually require Local Education Authorities to draw up a definite income scale to show what standard they adopt in determining whether medical treatment should be provided free of charge or for some payment, and also a scale of charges for each form of treatment. The income scales actually adopted vary considerably in different localities. They are, on the whole, rather more generous than the income scales adopted as tests of the necessitousness of parents under Authorities' schemes for the provision of meals. The means adopted by Local Education Authorities to ascertain the financial circumstances of parents are generally the same as those adopted under the scheme for the provision of meals.

B. *Scotland.*

The school medical services provided in Scotland are broadly the same as those provided in England and Wales. The basis on which they are provided is, however, different. Local Education Authorities were empowered by the Education (Scotland) Act, 1908, to provide medical inspection at the public expense and a definite obligation to make such provision might be imposed upon them by the requirement of the Central Authority (the Scottish Education Department). By the Education (Scotland) Act, 1913, Local Education Authorities were invested (retrospectively as from 1908) with the same powers and duties in respect of medical treatment as they possessed in respect of the provision of food and clothing (see Section I.B. of this Chapter above). As a result, when a child attending school is found to be in need of medical (including surgical and dental treatment) the Local Education Authority is under an express obligation to take steps by prosecution, if necessary, to compel the parent to provide the treatment required by his child or to repay the cost of any emergency provision made out of public funds,

or if the parent is unable to pay the cost of the necessary provision on account of poverty or ill-health, to provide the treatment required out of public funds.*

The approval of the arrangements made by Education Authorities rests with the Scottish Board of Health to whom all the powers and duties of the Scottish Education Department with respect to the medical inspection and treatment of children and young persons were transferred under the Scottish Board of Health Act, 1919. In all cases before approving a scheme of medical inspection and treatment, the Scottish Board of Health consults the Scottish Education Department, in order that the latter may, if they desire, criticise the financial aspects of the proposals.

Practically all Local Education Authorities in Scotland now make provision for medical inspection and for medical treatment (broadly of the same character as that provided in England and Wales) within the limits of the powers and duties with which they are invested.

CHAPTER VI.

WAR SERVICE COMPENSATION SCHEME.

Recognition by the State of long service in its employ and of disablement in such service has long been a term of contract of service with the State. The special circumstances of the late War, however, involving a national man power levy and compulsory service, led to a wide extension of liability on the part of the State towards men discharged or demobilised from the Forces.

Recognition by way of pension for long service, which applies of course to men of the Regular Forces whether they served in the late War or previously, is administered by the Service Departments in accordance with scales laid down in their Warrants. This class of grant is not referred to in the following paragraphs, which deal solely with the special provision made by the State for the men of the armed Forces who were specially enrolled for service in the Great War.

The provision made by the State may be conveniently dealt with under the following headings:—

1. Administered mainly by the Ministry of Pensions:—

- (1) Compensation for disablement or death occurring in the late War or in consequence of the late War.
- (2) Special provision for medical treatment and concurrent allowances for disabled men.

2. Administered mainly by the Ministry of Labour:—

Provision for vocational training, re-settlement and employment of ex-Service men.

SECTION 1.—PROVISION FOR DISABLEMENT OR DEATH MADE BY THE MINISTRY OF PENSIONS (WAR PENSIONS—TREATMENT—SPECIAL GRANTS).

(1) War Pensions.

1. Introductory.

The grants to be dealt with under this heading includes all pensions, grants and allowances, other than certain special money grants and allowances granted during treatment and training (*see* (2) and (3) below), awarded in respect of disablement or death resulting from the Great War.†

* These are the funds available for general educational purposes, as in the case of the provision of food and clothing.

† For pension purposes the period of the Great War extended from 4th August, 1914, to 30th September, 1921.

The conditions governing such awards and the scales under which pensions and allowances are payable are embodied in a series of Royal Warrants, Orders in Council and Orders, the principal of which are the Royal Warrant of 6th December, 1919 (soldiers); an Order in Council of 11th June, 1920 (seamen and marines); an Order of 11th May, 1920 (airmen); and in the War Pensions Acts, 1915 to 1921, which are administered by the Minister of Pensions.

The purpose of the scheme of pensions is to provide for the payment by the State to a man or his widow and dependants (including parents and other relatives in certain circumstances) of money compensation for disablement or death due to injuries sustained or to disease contracted or aggravated in consequence of war service at rates defined by the instruments governing the various classes of case affected.

2. Machinery and Administration.

The general responsibility for the administration of war pensions rests with the Minister of Pensions, in whom are concentrated for this purpose all powers and duties in respect of pensions on account of disablement or death in the Great War or in any former war exercised until 1916 by the Admiralty, Army Council and the Commissioners of Chelsea Hospital, together with similar powers in respect of the Air Force directly conferred by statute.* There have also been transferred to the Minister the functions formerly belonging to the Statutory Committee (formed in 1915 to supplement the work of the War Office and Admiralty, who at that date were responsible for awarding compensation to men disabled in war service and to widows and dependants) relating to the treatment and after-care of disabled officers and men, and a few additional functions have been imposed upon him by the War Pensions Acts, such as that of making provision for the care of children of officers and men deceased owing to war service, who for any reason are found to be suffering from neglect.

The official organization of the Ministry is necessarily both central and local. Centrally it consists of a Headquarters department in London. The local machinery (which was set up when the work of the Ministry was larger in volume than it is now) includes Regional Offices, to which is decentralised the greater part of the work of the Ministry in connection with the award of pension and other matters, Area Offices each under a Chief Area Officer, and Area sub-offices, in all the large and many of the smaller towns of Great Britain. These work under the immediate supervision of the Regional Offices. Applications for grants of pensions and allowances are made in the first instance through the Area Offices or Area sub-offices and are normally dealt with throughout under regional arrangements.

Nearly every award of pension under the Royal Warrants, etc., involves medical considerations as to the cause of the disablement or death of the officer or man, by or in respect of whom claim to pension is made. An extensive machinery of Medical Boards and Medical Officers attached to the Regional Offices has been set up to deal with the medical aspect of claims.

Outside the official machinery of the Ministry, Independent Tribunals of Appeal have been set up, to which a claimant dissatisfied with the decision of the Ministry may, in certain defined cases, appeal and receive a final decision. The Independent Appeal Tribunals, set up in England and Wales by the Lord Chancellor, and in Scotland by the President of the Court of Session, are of two kinds:—

- (1) Tribunals dealing with disputes as to title to pension (Entitlement Tribunals) in the case of disabled officers or men, widows or dependants whose claim has been rejected on certain specified

* Compensation for disablement sustained by men of the Regular Forces *otherwise than on Active Service* prior to the War continues to be administered by the Service Departments, to whom also belongs responsibility for administering compensation for all disablement subsequent to the termination of the Great War.

grounds involving an issue of fact. These Tribunals consist of a legal representative, who acts as Chairman, of a duly qualified medical practitioner, and of a disabled officer or man.

- (2) Tribunals (Assessment Tribunals) dealing with disputes as to the correctness of the assessment made by the Ministry of the extent of disablement sustained by a disabled officer or man, in the case of a final award of pension (*see* para. 5 below). These Tribunals consist of two duly qualified medical practitioners and one disabled officer or man.

When a pension or allowance has been awarded, payment is normally made weekly as from the date of claim (or date of appeal as the case may be) through a Post Office selected by the pensioner under arrangements made for the whole of Great Britain by a special department of the Ministry. The pensioner is ordinarily required to attend in person to receive payment, but this requirement is waived in certain exceptional circumstances, e.g., on account of illness. Pensions are payable in advance for the week commencing on the day of payment; to men on Wednesdays, to widows, separated wives and motherless children on Mondays, and to other dependants on Tuesdays.

Side by side with the official machinery of the Ministry and with the independent Appeal Tribunals described above, there are a number of bodies made up wholly or mainly of unpaid non-official persons assisting in various directions in the administration of the scheme. The principal bodies of this kind are the local War Pensions Committees.

These Committees are statutory bodies constituted in accordance with Regulations made by the Minister under the War Pensions Act, 1921. Committees have been appointed by the Minister in all the local areas of the Ministry. They consist of representatives from the area of disabled ex-service men, women in receipt of pensions as widows or dependants, Local Authorities and voluntary associations, and of persons otherwise nominated by the Minister. Their chief functions are to hear and investigate complaints and to bring them to the notice of the Ministry; to call attention to defects in local pensions administration; to make recommendations on all cases which are suitable for compassionate grants from the Special Grants Committee (*see* sub-section (3) below) and to assist the Minister and the Special Grants Committee in looking after the welfare of neglected children. The Committees are also assisted by voluntary workers.

3. *Qualifying Conditions for the Receipt of Compensation under the Scheme.*

(A) *Compensation for Disablement.*—In order to be entitled to ordinary compensation for disablement a man* must satisfy the following conditions:—

- (1) He must have been discharged as medically unfit for further service or while suffering impairment, such unfitness or impairment being certified to be either attributable to or to have been and still be aggravated; i.e., worsened by service in the Forces of the Crown during the War, or must be found after discharge to be suffering from impairment which is so attributable or aggravated.
- (2) The unfitness or impairment must not be due to the serious negligence or misconduct of the man.
- (3) The claim in respect of the disablement must be made within seven years after the date on which the claimant was discharged, or within seven years of the 30th September, 1931 (the date of official termination of the War) whichever is the earlier.

* The conditions governing the grant of compensation described in this and succeeding paragraphs apply to men and the dependants of men of non-commissioned rank only. The conditions applicable to officers and their dependants are broadly the same, though the rates of compensation are higher.

(B) *Compensation for death.*—In order to be entitled to the maximum compensation in respect of the death of a husband, father or son, or other male relation as the case may be, a widow, child, parent or other dependant of the man must show that the man was killed in war service or died in consequence of an injury or disease which was occasioned by his war service or was contracted or commenced on such service, and that the death occurred within seven years of his first removal from duty on account of the disease, or at latest within seven years of his discharge from service.

In the case of widows and motherless children, however, where the deceased man was himself a pensioner and died directly of his war disability, a pension usually at a lower rate may be granted, even after the expiry of seven years from discharge, in certain circumstances at the discretion of the Minister (*see para. 4 below*). No pension may be granted or continued to a widow, parent, or other dependant, other than a child, who in the opinion of the Minister is unworthy of a grant from public funds.

4. *Principles and Rates of Compensation.*

(A) *Compensation for Disablement.*

Principles.—Compensation is awarded by the Ministry in respect of disablement by war service, and disablement is defined as the "loss of physical or mental capacity or physical or mental injury or damage suffered by an officer or man by reason of any disability or disabilities" (*i.e.*, injuries or disease). The amount of compensation is awarded according to a scale laid down in the Royal Pensions Warrants representing the degree or extent of disablement in each case. The extent of disablement is determined in any particular case "by comparison with the condition of a normal healthy man of the same age without reference to his earning capacity in his own or any specific trade or occupation and without regard to any individual conditions or circumstances." The basis of award of compensation is, therefore, mainly a physiological one, and in accordance with this principle compensation is ordinarily awarded on equal terms for all men suffering from the same disability in like degree.

Rates of Compensation.—Compensation for disablement takes two forms, namely:—

- (i) Disablement and Alternative Pensions and
- (ii) Gratuities or Final Weekly Allowances.

(i) *Disablement Pensions.*—The method of compensation by pension (*i.e.*, a weekly grant proportionate to the rate of disablement, renewable on examination until either the case is recovered or a final award is made) is applicable only in cases where the degree or extent of disablement is assessed at 20 per cent. or over. The rate of assessment is determined by a Medical Board. The present rate of pension of a disabled ex-private ranges from 8s. a week for minimum or 20 per cent. disablement, to 40s.* a week for maximum or a 100 per cent. disablement. Higher rates are payable in cases of higher service rank.

In addition to the personal pension-compensation payable to the man, allowances are payable to him for a wife and children.† The maximum allowance for a wife is 10s., and the maximum allowance for children (in cases where an allowance is also paid in respect of a wife) is for the first child 7s. 6d. and 6s. for each other child. The actual amount of the allowances paid is proportionate to the rate of the man's disablement for purpose of pension.

* These and other rates of pension referred to are in all cases subject to adjustment with the cost of living.

† Broadly the wife in respect of whom an allowance is claimed must have been married to the man before the receipt of the wound or injury or before his removal from duty on account of the contraction or aggravation of the disease in respect of which he received pension, and a child must have been born before or within nine months after the man's discharge or must have been regularly maintained by the man at the commencement of the War or at the date of his enlistment.

(ii) *Alternative Pensions.*—This form of pension is available in substitution for ordinary disablement pension and family allowances to a disabled man whose pre-war earnings were above 25s. a week, for the purpose of making up such deficiency in present earnings by comparison with pre-war earnings as may be due to the fact of disablement. The amount of the pension granted is based on proved pre-war earnings, with an addition to allow for the rise in the cost of living, less the money equivalent of the man's remaining earning capacity, if any. It must not, together with the average earnings of which the man is judged capable by the Minister, exceed his pre-war earnings, or, in any case, 100s. a week. A claim must be made within one year of the first award of disablement pension.

(iii) *Gratuities or Final Weekly Allowances.*—For disablement of less than 20 per cent., a gratuity or a terminable weekly allowance for varying periods, according to the degree or the probable duration of the disablement, is given subject to a limitation of the total amount which may be granted in any case to £200. The conditions under which such allowances and gratuities may be given are in the discretion of the Minister; the scales actually followed in making such payment are, however, now set out in the Final Awards Regulations (*see* para. 5 below). The periods of payments range from 18 weeks to three years. The basic rate of weekly allowances for an ex-private is 7s. 6d. a week, and an additional allowance of 1s. a week is granted in respect of a wife and each child.

(B) *Compensation for Death.*

Principle.—The broad principle on which compensation is recognised to be due to the widow or dependants of a disabled ex-Service man whose death is due to service is that the State assumes, with its obligations towards the disabled man, obligation also towards the persons who were dependent on him at the time that his disablement in and by service occurred. The extent of the State's obligation is, within certain maximum limits (both of amount and time) fixed by the Warrants, the extent to which the deceased man himself did recognise, or would, had he survived, have recognised the obligation.

Hence, a widow to be eligible for compensation must have been married to the man before the receipt of the fatal wound or injury, or before the onset of the fatal disease, as evidenced by his removal from duty or discharge on account of it, or at latest before his demobilisation. A parent is eligible for pension if she is found to be in need, to the extent that her deceased son might have been expected to contribute to her support.

Principal Forms and Rates of Payment.—A widow or other dependant of a man whose death has occurred in, or in consequence of, war service, may receive compensation in the following forms:—

(i) *Widows' Flat Rate Pensions and Allowances for Children.*—A widow may be awarded a pension at the rate of one-half the pension which would have been payable to her deceased husband had he been totally disabled, or two-thirds, according as she is under or over 40, and has, or has not, children of his in her care. The actual rate of pension for the widow of an ex-private is, at present, 26s. 8d. a week if she has children of a deceased soldier under her care, or is over 40 years of age; in other cases it is 20s. a week. Higher rates are payable where the husband held higher service rank than private. In addition, allowances are payable in respect of each child of the same maximum amount as are payable to a disabled man, namely, for the first child 10s., for the second child 7s. 6d., and 6s. for each child after the second.

(ii) *Widows' alternative pension.*—A widow married before the commencement of the war or before her husband's enlistment may be granted, subject to certain conditions, an alternative pension based on her husband's pre-war earnings, in lieu of the flat rate pension and children's allowances already awarded her, if she can show that the pension and allowances payable to her are, or may be, less than two-thirds of her

husband's pre-war earnings. The amount of such a pension may not exceed 66s. 8d. a week. Claims must be made within a year of the first award of flat rate pension.

(iii) *Pensions for Motherless and Illegitimate Children.*—The child of a man which has become motherless or has been removed from the control of its mother may be awarded a pension of 12s. a week (11s. for each child after the first where two or more such children are being maintained in the same household or institution). Illegitimate children may be awarded a pension of 8s. a week.

(iv) *Pensions for Parents and Other Dependents.*

(a) *Parents' pensions.*—A parent, to be eligible for pension, must be found by the Minister to be in need and wholly or partly incapable of self-support. The extent of need which creates an obligation on the part of the State is determined by reference to his or her personal income from all sources and to the deficiency of that income by comparison with the maximum amount of pension, namely, 20s. a week, which, in the case of entire absence of financial resources, could be paid by the State. The State's obligation to meet that deficiency of income is determined on the principle that it is called upon to meet the amount which the deceased son would have been expected to contribute had he survived. Account, therefore, is taken of the existence of other surviving children who would be expected to share with the deceased son, had he survived, the deficiency of the parents' income. The average pension payable at the present time on this basis is about 12s. a week.

Under Warrants not now in force other classes of pension were payable on a different basis, namely:—

- (a) on the basis of the extent to which the deceased son had, in fact, contributed to his parents' support before enlistment and during service (pre-war dependence pensions), and
 - (b) on the basis of a flat rate of 5s. a week where the son was, at the date of enlistment, under 26 years of age and unmarried.
- Pensions on these bases are no longer granted.

(b) *Pensions for other dependents.*—Any other person who may have been dependent on a deceased man for a reasonable period before the commencement of the war or before enlistment (if after the commencement of the war) and up to the time of the man's death, may be granted a pension equal to the amount of pre-war dependence (with an addition of 20 per cent.) so long as he or she is wholly or partially incapable of self-support and provided that pecuniary need exists, subject to a maximum of 20s. a week.

5. *Duration of Pensions.*

(a) *Disablement Pensions and Final Weekly Allowances.*

(i) *Procedure under the Warrants.*—A pension for disablement of 20 per cent. and over and the concurrent family allowances are ordinarily granted in the first instance for a limited period only at the rate appropriate to the extent of disablement suffered by the pensioner at the time, and the grant is reviewed from time to time after an examination of the pensioner by a Medical Board. If the disablement disappears, or if the aggravation through war service of a disease contracted prior to war service passes away, the pension ceases with the current award. If the disablement becomes stationary, or if it becomes possible to determine its normal and stable condition with reasonable certainty, a permanent life pension may be awarded under powers specially conferred on the Minister to make Final Awards (see sub-section (ii) below).

A final weekly allowance is granted, as its name implies, for a limited period only. Until, however, declared final under the Minister's special powers in respect of Final Awards, it may be reviewed by the Minister upon the application of the recipient in certain circumstances.

(ii) *Final Awards*.—Under the War Pensions Act, 1921, the Minister was given power to come to a final decision in the case of any officer or man to whom a grant in respect of disablement due to causes arising out of service during the late war had been granted, or in regard to the cases of men who claimed such grants.

A Final Award is defined as a final decision of the Minister in regard to the extent of disablement, if any, sustained by the officer or man in consequence of his war service, and the amount of compensation due in respect of that rate is laid down in the Regulations issued by the Minister under the Act. A Final Award may, therefore, according to the circumstances of the case, take the form of a life pension, a gratuity, a final weekly allowance, or in cases where no disablement remains, simply an award of "nil" disablement. A Final Award made by the Minister is subject to appeal by the man concerned to the independent Appeal Tribunal on Assessments within one year of the making of the award. The great bulk of claims which have been made for compensation in respect of disablement by war service have now been settled by Final Awards.

(b) *Widows' Pensions and Pensions to Separated and Unmarried Wives*.—Subject to certain conditions, widows' pensions, including widows' alternative pensions and pensions to separated wives, are granted for life, but they cease on the re-marriage of the pensioner; allowances for children may, however, in certain cases be continued after re-marriage.

(c) *Children's Allowances and Pensions*.—Children's allowances are ordinarily granted in respect of children under the age of 16 only, and cease when the child attains the age of 16. In certain special circumstances, however, they may be continued up to the age of 21.

(d) *Parents' and Dependents' Pensions*.—All pensions awarded to parents on grounds of incapacity for self-support and pecuniary need (Parents' Need Pensions), and pensions awarded to other dependants, are periodically reviewed and cease when either of the entitling conditions is no longer present. Any pension granted to a female dependant ceases on her marriage or re-marriage.

(e) *Alternative Pensions*.—An alternative pension awarded to a man is subject to periodical review having regard to possible changes in earning capacity.

6. *Special Circumstances affecting Payment of Pension.*

Imprisonment involves forfeiture of pension, but the Minister of Pensions has power to restore pension in whole or in part for the benefit of the wife and children of the pensioner and, generally, any allowances in payment for a wife or child continue during a man's imprisonment. In the case of a widow or dependant the pension is liable to suspension or termination for misconduct, the gravity of misconduct and the appropriate penalty being determined by the Special Grants Committee under statutory powers. Where the Committee think fit, the pension may be administered for the benefit of the widow and her family otherwise than by direct payment to her.

The admission of a disabled man for treatment for his war disability to a hospital with the approval of the Ministry, carries with it ordinarily the allowances referred to in subsection (2) of this Section below. Admission for other causes to an institution supported wholly or partly out of local public funds (rates or taxes) carries with it the suspension of pension as a general rule, but, subject to a claim by the Authorities of the institution for a contribution from the pension towards the maintenance of the pensioner—which in the case of Poor Law institutions is a statutory claim on the part of the Guardians—the Ministry of Pensions are prepared as far as possible to meet the needs of the pensioner's family out of the balance of pension (if any) otherwise accruing. Any allowances in payment to the wife or family of a disabled man during treatment in an institution supported out of public funds are continued while he is an inmate.

(2) *Treatment of Disabled Men and Special Allowances payable concurrently.*

1. *Introductory.*—Incidentally to the administration of pensions, the Minister of Pensions is empowered to make provision for the health of disabled officers and men after they have left the Service, and to defray any fees or other expenses in respect of such treatment "where not otherwise provided." In pursuance of this function extensive arrangements have been made by the Ministry of Pensions for the medical and surgical treatment of the various wounds and diseases which have been caused or worsened by war service. The treatment provided is primarily such a course of treatment as requires to be given under specialist supervision, and is, therefore, primarily either in-patient or out-patient treatment. Treatment is given both in special hospitals established and controlled directly by the Ministry for those classes of cases which are not ordinarily dealt with in civil hospitals, and also in general and special (civil) hospitals with which arrangements have been made by the Ministry for treatment of patients at agreed rates of charge. The cost of treatment for cases of tuberculosis and insanity due to war service is defrayed by the Ministry by arrangement with the Local Authorities who are empowered by Statute to provide sanatoria or asylums (see Chapter III, Section 4, and Section 6). Out-patient treatment is provided at the same institutions, but more generally at special clinics established and operated by the Ministry. Exceptionally also, a course of treatment at home may be provided by the Ministry, but normally such treatment is obtained by the disabled ex-Service man under the provisions of the National Health Insurance scheme.

2. *Eligibility for Treatment.*—A course of medical treatment may, if prescribed by a medical officer of the Ministry, be provided by the Ministry in respect of an admitted war disability:—

- (a) For any ex-Service man to whom compensation under the Pensions Warrant is currently in payment, and
- (b) Subject to certain conditions, to all ex-Service men notwithstanding that they may have ceased to be entitled to draw such compensation.

3. *Special Allowances during Treatment.*—Special allowances may be provided during a course of treatment for a war disability:—

- (a) Compensation for loss of remunerative time up to a maximum of 16s. a week according to the amount of remunerative time lost. These allowances are payable where a prescribed course of treatment is not of itself such as to cause the man's abstention from work entirely, or to an extent sufficient to render him incapable of supporting himself and his family.
- (b) Special allowances at the maximum rate of pension. These allowances are payable in cases where, owing to the course of treatment found to be necessary by the Ministry, enforced abstention from work is necessary. The qualifying condition for the receipt of these allowances is that the man, being ordinarily engaged in a remunerative occupation, is prevented from working by his treatment, or is obliged to abstain from work on account of it, and is thereby unable to provide support for himself and his family. The allowances are payable under such conditions as the Minister may prescribe.

The amount of the allowance varies according to the circumstances in which treatment is being received and the size of the man's family. The allowances are practically in all cases paid where in-patient treatment is being given, but less frequently in cases of out-patient treatment at a hospital or clinic. The scale of allowance for an in-patient is a personal allowance of 21s. a week for the man, with additions for rank above that of private, a wife's allowance of 20s. a week and children's allowances at

full rates or, if no family allowances are paid, an allowance not exceeding 14s. for a dependant parent or 7s. for any other dependant; provided, in either case, that the persons claiming were so dependent before the man's enlistment and have been so dependent since his discharge from the Service. In the case of a patient not in an institution the allowances payable are at the maximum rates of pension and family allowance payable in the case of total disablement. Under these scales the allowances payable for a man (ex-private) with a wife and two children, amount to over three guineas a week.

It should be added that for the purpose of treatment allowances a man's family is reckoned as at the date on which treatment commences. The number of beneficiaries may, therefore, and usually does, exceed the number of persons who are reckoned as his family for pension purposes.

Treatment allowances are payable in lieu of pension or final weekly allowance, if any, throughout a course of treatment which prevents a man from working. The first payment is ordinarily due for a week in advance from the Wednesday following the day on which treatment commences. On the completion of treatment, payment of pension, if any, is resumed as from the Wednesday following the date of termination of treatment.

(3) *Supplementary Assistance out of Public Funds; Special Grants.*

The work of the Minister of Pensions under the Pensions Warrants is, to a small extent, supplemented by the Special Grants Committee, a statutory body formed in 1917 to take over the duties of the Statutory War Pensions Committee in dealing with cases of hardship not fully covered by the provisions of the Pensions Warrants as then drawn. Apart from occasional money grants on compassionate grounds, mostly to officers' families and dependants of deceased men, the work of the Committee consists of (i) the quasi-judicial determination of questions of misconduct in the case of widows and dependants and the forfeiture of pensions consequent on proof of "unworthiness," and (ii) the supervision and assistance of children, both of officers and men, and may be grouped as:

- (a) the award of educational and other grants provided under the Warrants or under the Regulations of the Committee for children of officers and men;
- (b) the discharge, under delegation, of the Minister's duties in connection with the care of children of men who have died in consequence of war service, where they are found to be suffering from neglect or want of proper care.

The latter portion of their work is carried out with the assistance of the War Pensions Committees and of voluntary workers acting in concert with them.

For the financial year 1922-23 the total expenditure of the Committee was approximately £200,000.

SECTION 2.—PROVISION FOR VOCATIONAL TRAINING, EMPLOYMENT AND RESETTLEMENT.

(1) *Training of the Disabled.*

1. *Introductory.*

At an early stage in the Great War it was recognised that large numbers of disabled men would be unfitted by their disablement to resume their pre-war occupation and that before they could be re-absorbed into civil life it would be necessary for them to undergo training in a new occupation. The duty of providing such training was first placed by statute upon the Statutory Committee (see Section 1 (1), paragraph 2 of this Chapter) from whom it was inherited by the Ministry of Pensions. In May, 1919, by an Order in Council, the responsibility was transferred, except as regards men to whom training could only be given under constant medical supervision, to the Minister of Labour. As a result of

this transfer of responsibility training is now provided by the Ministry of Pensions only for the small number of men who require continued medical or convalescent treatment, in the form of concurrent treatment and training, and for men whose disability is such as to make it impossible or undesirable for them to be trained in association with ordinary workmen, e.g., cases of severe facial injury, tuberculosis, and the main provision for the industrial training of the disabled is made by the Ministry of Labour.

2. *Concurrent Treatment and Training.*

Concurrent treatment and training is provided mainly at convalescent centres set up by the Ministry of Pensions in various parts of the Kingdom. The primary consideration in the case of every patient admitted to such centres is treatment, but a wide choice of courses of instruction is provided at each centre. Except in the case of certain out-door occupations such as market gardening and rural carpentering, the object of the training provided concurrently with treatment at the convalescent centres is to give a man a grounding in the technique of a new occupation which will be of help to him in learning it thoroughly at a later date under arrangements made by the Ministry of Labour, or otherwise, when he no longer needs treatment, rather than to equip him to enter a new occupation immediately.

Special provision has been made for the training of men suffering from tuberculosis who are still in need of medical attention and who will be unable to resume their previous or other suitable occupation. Under arrangements made by the Ministry of Pensions with the Ministry of Health, special courses of vocational training for such men have been started at a number of institutions established as part of the national Tuberculosis service (see Chapter III, Section 4) in such branches of work as market gardening and poultry breeding, rural carpentering and basket and brush making. These courses of training are wider in scope than the courses provided at the convalescent centres and they are designed to give disabled men such training in the new occupation that they will be able to earn a livelihood at it.

The work of concurrent treatment with training is now approaching completion and a time limit of 31st December, 1923, has been set for all applications for this purpose, except as regards the tuberculous, in whose case the 30th June, 1924, is the ultimate date.

3. *Ordinary Industrial Training.*

Industrial training for disabled men who, owing to the nature of their war disabilities are unable to continue in their pre-war occupations without diminution of earning capacity is provided by the Ministry of Labour. Training is given in occupations primarily of a manual nature under conditions which correspond as closely as possible to those of employment in private workshops and factories, with the object of equipping the trainees as fully as possible for return to a remunerative occupation. Men are trained in a great variety of trades (since the commencement of the working of the scheme some 600 altogether). In the highly organised and skilled trades training schemes are prepared and also supervised by National Trade Advisory Committees, representative of employers and workmen. Locally the training is supervised by Local Technical Advisory Committees similarly constituted acting under the National Committees, and no man is placed in training without the prior approval of the appropriate Local Technical Advisory Committee, who are guided by the nature of the man's disability and the prospects of his subsequent absorption into industry. Training is given in Government Instructional Factories, Institutions and private workshops. In most cases a complete course includes intensive training in a training establishment followed by a period as "improver" with learner's wages supplemented by

part maintenance, in employers' workshops. In the majority of trades the complete course of training lasts two or three years; in the later stages State assistance is not usually rendered.

Since the industrial depression set in in 1920, great difficulties have been experienced in finding improvership vacancies in private establishments for men who have completed their training in Government Instructional Factories. In these circumstances recourse has been had to special remedial measures to minimise hardships due to unemployment and prevent deterioration in working efficiency. First, during the winter months men have been retained in Government Instructional Factories beyond the normal period of institutional training, until either an improvership becomes available or they have received in the factory the full period of training to which they are entitled with any maintenance at all; men who have been given such extensions of training have been concentrated so far as possible in special centres where they are employed on definite contracts and special attention is given to speed of working. Secondly, refresher courses lasting a month are given to men who have been awaiting improverships with maintenance for more than six months. Thirdly, men waiting for an improvership who can show that they have a good prospect of success on their own account in the trade in which they have been trained may be given a Civil Liabilities grant in lieu of an improvership (see sub-section (3), (B), 4 below).

4. *Eligibility for Training.*

Subject to the division of responsibilities between the Ministry of Pensions and the Ministry of Labour described above, training with concurrent treatment may be provided by the Ministry of Pensions for men suffering from a disability accepted by the Ministry as either attributable to or aggravated by service in the Great War, who are certified to be either unfit to follow their pre-war occupations or any other equally suitable occupations or unfit to follow them without diminution of earning capacity. The Ministry of Labour may provide industrial training for this class of men and also for men discharged before 7th August, 1922, with a non-attributable disability which existed at the date of their discharge if they are similarly certified to be unfit to follow their pre-war occupation or unfit to do so without diminution of earning capacity.

A closing date, 30th September, 1921, was fixed for the acceptance of applications for training. Exceptions have, however, been made in a number of cases. Applications for industrial training are still considered from men demobilised after 30th September, 1921, if made within three months of demobilisation, or from men who were unable to apply in time, owing to the fact that they were on that date in-patients at a hospital or convalescent centre of the War Office or Ministry of Pensions or who may have since been admitted to a convalescent centre of the Ministry. Applications are also considered in certain cases from men who after resuming their pre-war occupation have broken down on account of their war disabilities. Some men who applied before 30th September, 1921, are still awaiting training.

Medical fitness for industrial training is determined under arrangements made by the Ministry of Pensions.

3. *Grants and Allowances payable during Training.*

(a) *During concurrent Treatment and Training.*—Maintenance allowances at the usual rates payable to men undergoing treatment in institutions are paid during concurrent treatment and training under the Ministry of Pensions (including vocational training for tuberculous men). In addition a training bonus of 5s. per week is payable by the Ministry of Pensions for every week of effective training to men who complete a course of training undertaken concurrently with treatment and have

reached a degree of proficiency sufficient to enable them to earn a living in the occupation in which they have been trained. A grant not exceeding £10 for the provision of tools may also be made in such cases.

(b) *During Industrial Training.*—Maintenance allowances are paid by the Ministry of Labour in lieu of disability pension, if any, to all men undergoing industrial training, of amounts equivalent to the amounts of the treatment allowances payable to a man undergoing treatment while living at home (a married ex-Service man with a wife and two children living at home receives £3 3s. 6d. per week). Reasonable daily travelling fares are also paid and additional allowances not exceeding 2s. 6d. a day are granted to a trainee who, for the purpose of training, is obliged to live apart from dependants, but who has ordinarily been wholly or mainly supporting them. Further, additional allowances are paid according to rank to persons entitled to disability pension. An efficiency bonus of 5s. for each week of approved training is payable on the satisfactory completion of a course and a man who requires tools in his new occupation is supplied with a kit of tools not exceeding £10 in value; this kit is as a rule supplied at the commencement of training and is retained by him on its satisfactory completion.

Trainees undergoing training in private factories receive from their employer a graduated learner's wage and from the Ministry the balance of the full maintenance allowance.

Training ordinarily commences on Wednesday and maintenance allowances are paid on Friday in arrear in respect of the week ending on the previous Tuesday night. Arrangements are in force whereby a trainee on commencement of training can receive an advance not exceeding £1 for the first week, the sum being recovered by weekly instalments during the next month (if a pensioner, he has drawn his pension for a week in advance on the Wednesday on which he starts training). A similar advance is also payable when a man resumes training after a break during which he has been undergoing treatment under arrangements made by the Ministry of Pensions.

Training ordinarily ceases on Tuesday; the trainee is then entitled to receive a full week's maintenance allowance, and, if a pensioner, he is entitled to resume pension on the Wednesday week following the completion of training. Arrangements are in force under which advance notification of the termination of training is given by the Ministry of Labour to the Ministry of Pensions, and if the necessary arrangements for formal resumption of pension payments have not been completed when training ceases, the Ministry of Labour, on behalf of the Ministry of Pensions, continues payment at the rate of the disability pension until the Local Officers of the Ministry of Pensions are authorised to begin payment.

6. *Extent of Industrial Training given.*

On October 16th, 1923, 88,231* men had been trained under the Industrial Training scheme of the Ministry of Labour (including 11,000 under the Ministry of Pensions before the function of providing such training was transferred to the Ministry of Labour). On the same date, 10,935 persons were still in training.

NOTE.—*Training of Disabled Ex-Officers under the Royal Warrant for Pensions of 1917, Article 7.*

Training grants in the form of additional retired pay are given for a period of 12 months (or two years in the higher forms of agriculture) to disabled ex-officers in receipt of retired pay. The rates are such as to bring the total retired pay up to the rate given for the highest degree of disablement.

* These and subsequent figures given in this chapter include Ireland.

(2) *Other Training.*

In addition to the provision made for the training of disabled officers and men, various schemes for the training of officers and men not necessarily disabled and for the training of widows of deceased officers and men, dependants of deceased officers and disabled nurses, have been in operation during and since the war. Under some of these schemes, all training has now ceased. Under the following schemes, however, while no new applications for training (except in the case of nurses) are being received, a certain number of persons have not yet completed training:—

1. *The Interrupted Apprenticeship Scheme.*

This scheme was initiated under the regia of the Ministry of Labour after the Armistice to enable young men, who prior to enlistment were engaged in industrial occupations and whose apprenticeship had been interrupted by service in the forces of the Crown, to complete their training and to qualify as journeymen in their respective trades with financial assistance from the State, at wages commensurate with their age, new status and responsibilities in life.

The training has been given mainly by private employers in their workshops under special schemes prepared for individual industries by the Joint Industrial Council or other joint body representative of organizations of employers and workers in the industry and under a general scheme prepared to cover occupations where joint bodies competent to frame special schemes were not in existence. These schemes provide for the payment by the State of an allowance to the employer in respect of an apprentice while he is completing his renewed apprenticeship in the employer's establishment. This allowance is one-third of the journeyman's weekly rate in the trade and district concerned, and is payable for a maximum period of two years. The apprentice is not called upon to serve the whole of the period of the apprenticeship which was unexpired when he joined H.M. Forces, a time allowance of one-third being made in this respect.

All the schemes provide for the payment by the employer to the apprentice, as a condition of the receipt of the State grant, of certain definite rates of wages. An apprentice must be paid not less than three-fourths of the journeyman's rate per week during the first half of his renewed apprenticeship and not less than five-sixths of the journeyman's rate per week during the second half. In certain schemes, in addition to provision for training in private workshops, provision is also made for training in technical institutions in appropriate cases, and while the apprentice is undergoing training at the institution a maintenance allowance of 33s. per week is paid by the State in addition to the payment of fees, etc. Extra allowances are paid in respect of married men and those who are living away from home while undergoing their institutional training. Approximately 2,500 apprentices have received institutional training under the scheme.

On 19th September, 1923, 44,708 apprentices had been accepted under the Scheme by 17,860 employers in the various industries, and 43,352 had completed their apprenticeships; the remaining 1,356 were pursuing their training in the employers' establishments or at technical institutions.

It is estimated that approximately an equal number of apprentices in industries (e.g., railway workshops, Admiralty dockyards, etc.) not covered by the scheme have benefited in consequence of it. The scheme has virtually been recognised as a standard for the payment of ex-Service apprentices, although the authorities concerned have not applied for the State allowance.

2. *Professional and Business Training.*

Training for the professions, e.g., Solicitor, Veterinary Surgeon, and for posts of a managerial or consultative character in industry and commerce, has been given under arrangements made by the Ministry of Labour, Appointments Department. Under this scheme maintenance

allowances were paid while the man learnt his profession under articles or otherwise and fees towards coaching for examinations were also paid.

3. *Advanced Agricultural Training.*

Advanced training in agricultural subjects, including forestry, has been given by the Ministry of Agriculture in England and Wales and by the corresponding Scottish and Irish Departments to officers and to men of a similar educational standard.

4. *Educational Training.*

The Board of Education in England and Wales and the corresponding Scottish and Irish Departments have given grants to enable ex-officers and men of similar standing to receive higher education at the Universities, and training in training colleges for teaching in Elementary Schools has been given under arrangements made by the same Departments to men possessed of good educational qualifications.

5. *Training in Women's Occupations.*

Training in a large variety of women's occupations has been given to widows of deceased officers and men, dependants of deceased officers whose circumstances appeared to place them in need of a remunerative occupation, and to disabled nurses unable owing to war service disabilities to resume work as nurses, under arrangements made by the Ministry of Labour. In exceptional circumstances disabled nurses may still be accepted for training.

During training under all these schemes, allowances in supplementation of pension, or maintenance grants, have been paid by the Departments concerned, varying in amount in most cases according to the financial circumstances of the trainees.

The numbers of persons (a) trained, and (b) undergoing training at the beginning of October, 1923, under the schemes mentioned in paragraphs 2 to 5 above, were approximately 55,000 and 3,000 respectively.

(3) *Special Provision for Employment and Resettlement.*

Special arrangements are in operation for facilitating the employment and resettlement of ex-Service men. These arrangements may be grouped broadly under the following heads:—

(A) *Arrangements applying to ex-Service Men generally.*

(1) A general preference is given at the Employment Exchanges of the Ministry of Labour to the applications of ex-Service men for employment in their trades over the applications of non ex-Service men, provided that the applicants are of equal industrial suitability for the employment in question.

(2) A special preference must be given to ex-Service men in the engagement of workers for employment on relief works carried out with financial assistance from the State, as one of the conditions of the receipt of assistance. In the case of relief works assisted by grants from the Ministry of Transport and the Unemployment Grants Committee, at least 75 per cent. of the workers engaged must be unemployed ex-Service men. This condition applies whether the work is carried out by direct labour or by contract. A similar condition applies in the case of schemes of work assisted by the Ministry of Agriculture (Scottish Board of Agriculture) and the Forestry Commission in so far as ex-Service men are available for the work.

(B) *Arrangements applying wholly or mainly to Disabled ex-Service Men.*

1. *Adaptation of Employment Exchange Machinery.*

Arrangements are in force for ensuring that special consideration is given at Employment Exchanges to applications for employment from disabled ex-Service men who are definitely handicapped by their disability in the search for employment. Special accommodation is allocated to disabled men, wherever necessary, and, at the larger Exchanges, applications are normally considered by officers specialised in the work of dealing with disabled men. In addition a separate register of disabled ex-Service men so handicapped is maintained at Exchanges and special efforts are made to secure suitable employment for disabled men.

2. *The King's National Roll.*

A National Scheme is in operation for the employment of disabled ex-Service men. This scheme, based upon a Royal Proclamation issued in September, 1919, appeals to employers to undertake that they will employ in their factories, workshops, warehouses, offices, etc., at least five disabled ex-Service men in every 100 employees. An employer giving this undertaking has his name placed on a national roll of employers, known as the King's National Roll, and is entitled to a certificate of enrolment and to the use of a device on his notepaper which intimates to the public that the employer is so enrolled. In certain industries in which a large proportion of women are normally employed, a percentage less than five has been accepted as a qualification for enrolment. Government contracts are allotted, save in very exceptional circumstances, only to firms on the Roll. This practice is also followed by an appreciable number of Local Authorities.

The administration of the scheme is decentralised to voluntary local committees which may be either special King's Roll Committees or Local Employment Committees. The work of the local Committees is co-ordinated centrally by the King's Roll National Council, a voluntary body under the Chairmanship of Field-Marshal Earl Haig, and includes representatives of both Houses of Parliament, of employers and employees, of the British Legion, and of the Government Departments interested. Premises and staff required by the local Committees and incidental expenditure incurred by them, and by the National Council, are provided by the Ministry of Labour out of funds provided by Parliament. The expenditure of certain public moneys for publicity purposes has been authorised by the Treasury.

On the 31st July, 1923, the number of employers on the King's National Roll was 27,865 and the undertakings given by these employers covered approximately 300,000 disabled men.

3. *Grants in Aid of the Employment of severely disabled ex-Service Men.*

Exchequer grants have in the past been made to a few institutions established and maintained mainly by voluntary effort, with the principal object of giving employment to men whose degree of disablement is so serious that they would be unlikely to obtain employment under ordinary industrial conditions.

Such grants were calculated at the rate of £25 per annum for every man employed whose disability was 50 per cent. or over. (In the case of epileptics and neurasthenics a lower percentage of disability was accepted.) Grants amounting to over £10,000 have been made on this basis to the Lord Roberts Memorial Workshops, of which there are nine in existence. The number of men on whom the last grant was paid was 186.

Grants on a similar basis have also been made to the Enham Village Centre and to the Guild of Soldier and Sailor Broderers, amounting in all to £300.

The future conditions and the extent of this form of assistance are at present under consideration.

4. Grants to individual ex-Service Men.

Grants to individual ex-Service men to assist their re-settlement in civil life are made by the Military Service (Civil Liabilities) Department of the Ministry of Labour, which was originally set up as a Committee during the Great War to assist serving sailors, soldiers and airmen in meeting their civil obligations.

For some time after the Armistice grants were given to fit and disabled men without distinction to enable them to re-establish themselves in their pre-enlistment occupations. Grants for this purpose have now practically ceased except in the case of men compulsorily retained in the forces after 31st July, 1920, owing to lack of transport or through being in hospital. Grants, however, are still given in certain cases to disabled ex-Service men who are suffering serious financial hardship on account of their war service and are prevented by their service disability from resuming their pre-war occupation or obtaining suitable employment, the grants being given to enable them to follow new occupations, either as employees or on their own account. The last date for normal applications for grants of this nature was fixed at 30th September, 1921, but certain exceptions were provided for and applications are still accepted from a number of classes of persons, the most important being (a) men who commenced treatment with allowances under the Ministry of Pensions within 12 months of discharge, but not later than 30th September, 1921; (b) trainees under the Industrial Training Scheme who are unable to obtain employment in their trade by reason of their service disability or local conditions; trainees whose service disability prevents them following the trade in which they have been wholly or partially trained; and men trained in one-man trades for the purpose of being set up on their own account with Government assistance; (c) special cases of men recommended at certain treatment and training centres, or of men on the waiting lists for training or improverships.

Investigation into the circumstances of applicants for grants is made by local War Pensions Committees acting as agents for the Ministry of Labour.

The average grant made is now £53.

Up to 30th September, 1923, over £3,760,000 had been granted to 113,600 applicants since the Armistice.

APPENDIX IV.

INTER-RELATION OF CERTAIN SCHEMES.

PART I.—GENERAL STATUTORY RELATIONSHIP.

A. Poor Law and other Schemes.

1. Reaction of Assistance under other Schemes on Poor Relief.

(a) General statutory position.

The receipt of assistance under any of the schemes outside the Poor Law described in Appendix III above is not, by itself, a disqualification for the receipt of assistance under the Poor Law, provided that the Poor Law test of destitution can, at the same time, be satisfied. Poor Law Authorities, in granting relief are however required by law to take into consideration all benefits received under the other schemes (in pursuance of their general obligation to take into account all means and income available for the support of an applicant for relief), both for the purpose of assessing the amount of out-relief to be given and for the purpose of obtaining repayments when indoor relief has been granted. To this requirement there are, however, the following statutory exceptions* :—

- (a) Under the National Insurance Acts they are required for the purpose of outdoor relief to disregard the first 7s. 6d. of sickness and disablement benefit received in any week.

* NOTE.—The only other exception to the rule that all available means must be taken into account by Poor Law Authorities is that made by the Outdoor Relief (Friendly Societies) Act, 1904, which required Poor Law Authorities to disregard, for the purpose of outdoor relief the first 5s. of any benefit received.

- (b) Under the War Pensions Act, 1918, they are precluded, in granting relief (both outdoor and indoor) to a parent or other dependant (other than a wife or child) of a disabled man, from taking into account any part of the disablement pension awarded to a son who otherwise would have been held responsible for the whole or part of any relief granted to the parent or other dependant.

(b) *Special Provisions regarding Unemployment Benefit.*

Until 1921, Poor Law Authorities were required by statute to disregard the first 10s. (prior to 1920 the first 5s.) of unemployment benefit received in any week in granting outdoor relief. In 1921, however, this provision was suspended by the Unemployed Workers' Dependants (Temporary Provision) Act and in its place there was substituted an express direction to Poor Law Authorities to take unemployment benefit fully into account in granting outdoor relief. This suspension was made substantive by the Unemployment Insurance Act, 1922 (No. 1).

This express statutory direction has been supplemented by a further provision in the Unemployment Insurance Act, 1922, under which the Minister of Labour may, subject to certain conditions, pay to a Poor Law Authority arrears of benefit due to a claimant who received from the Poor Law Authority outdoor relief on the basis that he was not in receipt of unemployment benefit. This provision is designed to meet cases in which payment of unemployment benefit is delayed (e.g., by reason of an appeal, local investigation, &c.) and the claimant in the meantime obtains outdoor relief in excess of the amount which he would have received if he had been in receipt of benefit. Prior to the putting into operation of this provision, if arrears of unemployment benefit became due to a person who had received outdoor relief, he received payments for a certain period both under the Poor Law and under the Unemployment Insurance Scheme. (The administrative arrangements for carrying out this provision are described in paragraph (c) (ii) of Part II of this Appendix).

2. *Reaction of Poor Relief on Assistance under other Schemes.*

(a) *Outdoor Relief.*

The receipt of outdoor relief under the Poor Law is, by itself, no legal disqualification for the receipt of assistance under any of the other schemes described in Appendix III (apart from the receipt of meals, clothing and medical treatment provided for schoolchildren by Education Authorities in Scotland). Any amounts received by way of outdoor relief are, however, normally taken into account by other Authorities administering forms of assistance the amount of which is dependent on the means of the applicant. In the case of old age and blind pensions and of parents' and dependants' (War) pensions granted by the Ministry of Pensions, special adjustments in the amount of outdoor relief are normally made in order to allow the maximum awards payable by other Authorities to be granted.

(b) *Institutional Relief.*

(i) *Old Age and Blind Pensions Schemes.*

Maintenance in a Poor Law Institution is a disqualification for the receipt of an old age pension, but a concession is made where the institution is entered for the purpose of medical or surgical treatment; in such a case the disqualification does not become operative until after a period of three months. Poor Law Authorities in such cases are frequently able to obtain partial repayment of the relief granted. Such payments are, however, voluntary on the part of the pensioner, since, under the Old Age Pensions Act, 1908, an old age pension is inalienable.

(ii) *National Health Insurance Scheme.*

The title to benefits under the National Health Insurance scheme is not annulled by admission for treatment to a Poor Law institution and, during a period of certified incapacity, an inmate of an institution otherwise entitled to benefit continues to be entitled during any period of residence in the institution. Although benefits are not paid in such circumstances directly to the insured person while in the institution, Approved Societies, &c., are precluded by statute from applying them in payments to a Poor Law institution (or indeed to any institution maintained out of public funds) and while an insured person is in a Poor Law institution the benefits may be applied at the discretion of the Approved Society, &c., in payment to the insured person's dependants (if any) or in payments for the insured person's advantage, e.g., payment of rent, insurance or club premiums or for comforts; so far as they are not so applied they are accumulated for the benefit of the insured person and paid to him after his discharge from the institution. Under Section 111 of the National Insurance Act, 1911, the benefits are inalienable and Poor Law Authorities have no special legal right to recover therefrom any part of the cost of treatment or maintenance.

(iii) *Unemployment Insurance Scheme.*

Any inmate of a Poor Law institution, whether for the purpose of medical or surgical treatment or of maintenance, is wholly disqualified for the receipt of unemployment benefit in respect of any period of residence in the institution.

(iv) *War Service Compensation Scheme (Pensions and Allowances).*

(i) *Admission of men for maintenance.*—If a pensioner (disabled man, widow, child or dependant) or the wife or child of a pensioner is admitted to a rate-aided institution for maintenance, payment of pension or allowance due to or in respect of the person is suspended and the sum payable is held available to meet, as far as possible, any claim which the Poor Law Authorities concerned may make for the recovery of costs incurred. The amount payable (which must not be at a rate exceeding the average cost of inmates of the class in question) is ordinarily arranged according to the circumstances of each case between the Ministry of Pensions and the Poor Law Authority concerned. Any balance remaining after the claims of the Poor Law Authority have been determined, is ordinarily administered on behalf of the pensioner's dependants remaining outside the institution (if any) by the Local Office of the Ministry of Pensions or allowed to accumulate to the pensioner's credit if there are no dependants. Allowances (if any) in issue concurrently with the man's pension in respect of a wife or children remaining outside the institution are paid direct to the wife or guardian during such period as he is an inmate.

A person awarded to a dependant on the ground of pecuniary need is suspended while the pensioner is in the institution.

(ii) *Admission for treatment.*

(a) *Disablement pensioner.*—If the disability in respect of which the pensioner requires treatment renders him eligible for treatment at the expense of the Ministry of Pensions he is transferred, if possible, to a suitable Ministry or civil hospital. In this case his family receive treatment allowances. If, however, the disability is one on account of which the pensioner is not eligible to receive treatment from the Ministry the pension is held available to meet any claim made by Poor Law Authorities on the same conditions as in the case of admissions for maintenance.

(b) *Wife or child of disabled man.*—Payment of the allowances awarded in respect of a wife or child admitted to an institution for treatment is made to the pensioner or guardian, except that the allowance of a child

admitted to a sanatorium is reduced by one-half of the 100 per cent. rate and only the balance, if any, is paid to the parent or guardian. In such a case any claim made by the Poor Law Authority is a matter for settlement by the pensioner, or guardian, and payment is only made direct to the Poor Law Authority when it is unable to obtain payment from the guardian.

(c) *Widows or Dependants (other than children).*—In the case of a widow or dependant, payment of the total pension or allowance is administered by the Chief Area Officer in the interests of the widow and her family.

B. Inter-Relation of and Reaction of Assistance under certain other Schemes (outside the Poor Law) upon:—

- (a) Old Age and Blind Pensions schemes;
- (b) Health Insurance scheme;
- (c) Unemployment Insurance scheme.

(a) Old Age and Blind Pensions Schemes and other Schemes.

(1) *Relationship with Health Insurance Scheme.*—The concurrent payment of old age pension and sickness and disablement benefit under the Health Insurance scheme is virtually precluded by statute, since such benefits cease to be payable at the age of 70, the minimum qualifying age for receipt of an old age pension. An old age pensioner, otherwise duly qualified, however, retains his right to medical benefit. Where persons not yet 70 are receiving pensions under the Blind Persons Act, 1920, National Health Insurance benefits, if payable, are taken into account as means subject to certain conditions.

(2) *Relationship with the Unemployment Insurance Scheme.*—Persons over 70 are not, as such, excluded from the operation of the Unemployment Insurance scheme, but by express statutory provision an employed person who is in receipt of an old age pension is disqualified for receipt of unemployment benefit. Contributions are not payable in respect of such a person. Receipt of pension under the Blind Persons Act, 1920, however, does not disqualify for receipt of unemployment benefit.

(3) *Relationship with the War Service Compensation Scheme.*—The Old Age and Blind Pensions Schemes only come into contact in practice with the War Service Compensation scheme in the case of parents' or dependants' need pensions. The amount of any old age or blind pension received is taken into account in determining the existence of need for the purpose of need pension and conversely, the amount of any need pension is taken into account in determining the amount of the old age or blind pension to be granted. In practice adjustment is usually effected without difficulty.

(4) Relationship with Services providing Institutional Care and Treatment.

Maintenance in a lunatic asylum as a certified lunatic (or in any place as a pauper lunatic) is a complete statutory disqualification for receipt of old age or blind pension. Pension remains payable, however, during residential treatment or care in any other institution (other than a Poor Law institution—see paragraph A. 2 (b) (i) above) maintained wholly or partly out of public funds, but the assistance provided must be taken into account as means by the Old Age Pension Authorities and the pension is withdrawn or reduced accordingly.

(b) Health Insurance Scheme and other Schemes.

(1) *Relationship with the Old Age and Blind Pensions Schemes (see above).*

(2) *Relationship with the Unemployment Insurance Scheme.*

The Health Insurance and Unemployment Insurance schemes are mutually exclusive in their operation. The title to health insurance benefits depends on incapacity for work, while that to unemployment benefit depends on capacity for work. By express statutory provision receipt of sickness or disablement benefit or disablement allowance under the National Health Insurance scheme disqualifies for receipt of unemployment benefit. Conversely, by the operation of the general qualification and disqualification of capacity and incapacity for work, persons in receipt of unemployment benefit are virtually disqualified for receipt of benefits under the Health Insurance scheme.

(3) *Relationship with the War Service Compensation Scheme.*

A disabled man, while drawing pension or treatment or training allowance, is entitled to receive full benefits under the Health Insurance scheme with the following exception:—

While he is in receipt of a 100 per cent. pension or treatment or training allowances in lieu of pension during treatment or training, the rate of sickness or disablement benefit payable is reduced by 7s. 6d. a week, unless and until:—

- (a) in the case of sickness benefit, he has been in insurable employment for a period of at least 26 weeks and 26 contributions has been paid in respect of him since his discharge from the Forces;
- (b) in the case of the disablement benefit, he has been in insurable employment for a period of at least 104 weeks and 104 contributions have been paid in respect of him since his discharge.

There is no reduction of benefit on account of a partial disablement pension.

In one respect receipt of benefit under the Health Insurance scheme may re-act upon a grant under the War Service Compensation scheme. In the awarding of pensions the amount of which is based on need or physical incapacity, *e.g.*, parents' and dependants' need pensions, the Ministry of Pensions take into account all resources in the nature of regular income and would normally take into account the amount of any disablement benefit receivable in respect of prolonged or permanent disablement.

(4) *Services providing Institutional Treatment (in respect of such Treatment).*

Entitlement to health insurance benefit is not affected by admission to an institution maintained out of public funds under any of the other schemes described in Appendix III above—Lunacy and Mental Deficiency services; Tuberculosis service; Infectious Diseases service; Maternity and Child Welfare service. During institutional care or treatment under any of these services, however, any health insurance benefits due to a patient must be disposed of as in the case of a patient undergoing treatment in a Poor Law institution and after discharge from the institution the insured person is entitled to any balance not so applied. (*See* paragraph A. 2 (b) (ii) of this part of this Appendix above.)

(5) *Special Relationship with Tuberculosis Service.*

In so far as out-patient treatment akin to general practitioner treatment is given under the tuberculosis service, insured persons have technically a right to treatment under both services by their insurance practitioner and by the medical officer appointed by the Local Authorities administering the Tuberculosis service to give out-patient treatment. In practice the boundaries between the services in this respect are settled by administrative arrangement (*see* below Part III, paragraph C. iii).

(c) Unemployment Insurance and other Schemes.

1. *Relationship with Old Age and Blind Pensions Schemes (see above).*
2. *Relationship with Health Insurance Scheme (see above).*
3. *Relationship with War Service Compensation Scheme.*

The receipt of a war pension is not in itself a ground of disqualification for the receipt of unemployment benefit nor is any reduction made in such benefit on account of the receipt of a pension.

In the case of uncovenanted benefit, however, the receipt of a pension by the claimant or his wife or by some member of the household in which he lives or in respect of dependent children may be, and sometimes is, taken into account in deciding whether hardship would result from the withholding of uncovenanted benefit, e.g., from a single man living at home or from a married woman living with her husband. The receipt by a woman of a pension in her own right would not be a ground for disallowing uncovenanted benefit unless the circumstances were such as to suggest that the woman was content to live on her pension supplemented by the unemployment benefit and was not genuinely desirous of obtaining work.

Receipt of treatment allowances, though not an express disqualification for receipt of unemployment benefit, is *prima facie* evidence that a man is not capable of work or is not available for work; the qualification for receipt of treatment allowances being inability on the part of a disabled man to provide for his own support and that of his family in consequence of the treatment which he is undergoing. In these circumstances receipt of treatment allowances operates as a practical disqualification for the receipt of unemployment benefit.

Similarly receipt of maintenance allowances during a course of industrial training is *prima facie* evidence that the trainee is not available for ordinary employment.

(4) *General Relationship with Services providing Institutional Care or Treatment.*

Any inmate of an institution supported wholly or partly out of public funds is disqualified for receipt of unemployment benefit.

PART II.—SPECIAL MACHINERY FOR ADMINISTRATIVE CO-ORDINATION.

For ensuring compliance with the conditions under which assistance is granted and for securing co-ordination in the making of grants where the necessity for such co-ordination arises out of the statutory bases of the services, the various administrative authorities rely mainly on the internal machinery of each service, e.g., relieving staff, employment exchanges, &c. Certain special arrangements have, however, been made for the co-ordination of the various services; these are described below.

A. *Arrangements designed for the maintenance of statutory barriers between Insurance and Pensions schemes.*(a) *Old Age Pensions and Health Insurance Schemes.*

The barrier between the Health Insurance scheme and the Old Age Pensions scheme is one dependent on the age of an applicant alone. Information is frequently exchanged between Approved Societies and Pensions Authorities when any doubt as to an applicant's age arises under either scheme.

(b) *Old Age Pensions and Unemployment Insurance Scheme.*

Local officers of the Ministry can ascertain from the local Pensions Officers whether any applicant for benefit who appears to be 70 years of age or over has claimed an old age pension, and if so whether his claim has been allowed and from what date.

(c) *Health Insurance and Unemployment Insurance Schemes.*

Under arrangements made between the Ministry of Health, the Scottish Board of Health, and the Ministry of Labour, Approved Societies may address enquiries to the local office of the Ministry of Labour in any case in which they have reason to believe that a member in receipt of sickness benefit is also receiving unemployment benefit. Conversely, if suspicion arises at the local office of the Ministry of Labour that an individual in receipt of unemployment benefit is also claiming sickness or disablement benefit, reference is made to the Approved Society, or to the Headquarters of the Ministry of Health in respect of deposit contributors, as the case may be.

(d) *Health Insurance and War Service Compensation Schemes. (For maintenance of special relationship described in Part I, paragraph B (b) (3)).*

Arrangements are in operation under which the Ministry of Health and the Scottish Board of Health, on information received from the Ministry of Pensions, notify Approved Societies of all cases in which a pension at the maximum rate (for 100 per cent. disablement) has been awarded and of any subsequent variations in the rate of pension that may be made. The grant and cessation of treatment allowances are notified to Societies direct by the Local Offices of the Ministry of Pensions. Notifications in respect of training allowances granted by the Ministry of Labour are also made to Approved Societies.

(e) *Unemployment Insurance and War Service Compensation Schemes (see Part I, paragraph B (c) (3) above).*

In all cases in which treatment allowances are granted to a disabled man notification is sent by the local office of the Ministry of Pensions to the local office of the Ministry of Labour. Cessation of treatment allowances is similarly notified.

(B) *Arrangements designed to facilitate enquiries and investigation by services requiring to know the means of applicants for assistance.*

I. *Poor Law and other Schemes.*

1. *Old Age and Blind Pensions Schemes.*

Poor Law Authorities can ascertain from Pension Officers upon request whether a person who has applied for relief is an old age or blind pensioner (the amount of the pension in payment can be ascertained from the Pension Order Book issued to every pensioner).

2. *Unemployment Insurance Schemes.*

(a) An applicant for poor relief by reason of want of employment is in the ordinary course asked the amount, if any, which he is receiving by way of unemployment benefit including dependants' benefit. If his statement does not agree with the amount which, by his age, usual occupation, domestic circumstances, &c., he would appear qualified to receive, and the Poor Law Authority is not otherwise satisfied as to the accuracy of his statement, the actual facts may be ascertained from the local office of the Ministry of Labour. Under the procedure generally adopted by Poor Law Authorities the applicant for relief is given a form to present personally at the local office at which he is registered. On this form the local office states the facts.

(b) The reports of the Investigating Officers attached to Employment Exchanges are available for consultation by the Poor Law Authorities upon request.

3. *War Service Compensation Scheme (Pensions and Allowances).*

Arrangements are in operation under which Poor Law Authorities can ascertain the amount of any pension or allowance in issue to an applicant for poor relief from the local office of the Ministry of Pensions.

4. *Health Insurance Scheme.*

No general arrangements are in operation for the ascertainment by Poor Law Authorities of the amount of any cash benefits received under the Health Insurance scheme from Approved Societies, but an Authority can at any time request an applicant for relief to obtain from his Approved Society a statement of the benefits paid to him.

5. *Other Schemes.*

No general arrangements are in force for the ascertainment by Poor Law Authorities of assistance given under such services as the School Meals and Maternity and Child Welfare services. Poor Law Authorities have, however, been encouraged by the Central Departments to institute with other Local Authorities, arrangements for an exchange of information similar to those made with the local offices of the Ministry of Labour, and local initiative has established a system of co-operation in a number of places.

II. *Old Age and Blind Pensions and other Schemes.*

1. *Poor Law.*

Under Statutory Regulations Poor Law Authorities are required to inform Old Age Pension Officers as to the amount of any poor relief granted to an old age pensioner or applicant for pension.

2. *Unemployment Insurance Scheme.*

Pension authorities may ascertain from local offices of the Ministry of Labour the amount of any unemployment benefit in issue to a blind pensioner or to an applicant for pension.

3. *War Service Compensation Scheme (Dependants', &c. Need Pensions).*

Old Age and Blind Pension Authorities can ascertain from the local offices of the Ministry of Pensions the amount of any war pension or allowance in issue to an old age or blind pensioner or to an applicant for pension.

III. *Other Schemes.*

Any statutory authority administering assistance out of public funds, e.g., the authorities administering the Maternity and Child Welfare, School Meals and Tuberculosis services, can obtain information as to unemployment benefit or war pension or allowance in issue to an applicant for assistance by reference to the local offices of the Ministries of Labour and Pensions under arrangements similar to those in operation between Poor Law Authorities and Employment Exchanges. Such authorities are also in a position to obtain official information from Poor Law Authorities.

(c) *Other special Arrangements for Administrative Co-ordination.*

(i) *Representation of Local Authorities on Local Employment Committees.*

Representatives of Local Government Authorities are ordinarily appointed to sit on all Local Employment Committees attached to Employment Exchanges. The Committees have further been urged by the Ministry of Labour to co-opt representatives of local Poor Law Authorities to their membership and many Committees have co-opted representatives.

(ii) *Arrangements for recovery of "excess" relief granted by Poor Law Authorities from the Ministry of Labour. (See Part I of this Appendix, paragraph A. 1. (b).)*

The Poor Law Authority notifies the local office of the Ministry of Labour as soon as possible of all cases in which "excess relief" has been granted, intimating that in the event of unemployment benefit being subsequently allowed, a claim will be made for repayment of the "excess" relief.

If benefit is allowed, the Poor Law Authority is so informed by the local office and the Authority is requested to furnish within four days a certificate showing the amount of excess relief which they have paid during the period for which they propose to claim. A form is supplied for this purpose. When the certificate and claim are received at the local office, they are examined and if in order the Authority is paid the amount of the claim, provided that it does not exceed the total amount of benefit for the period. Any balance remaining after the Authority's claim has been satisfied is paid to the applicant.

(iii) *Arrangements for the Co-ordination of Medical Benefit under the National Health Insurance Scheme and Treatment under the Tuberculosis Service.*

Under the Medical Benefit Regulations the work of the insurance practitioners in regard to those of their patients who are suffering from tuberculosis is linked up with that of the medical staff ("Tuberculosis Officers") of the dispensaries provided by the County and County Borough Councils, by arrangements under which practitioners furnish reports upon tuberculous insured patients under their care to the Tuberculosis Officers, and conferences are held between the practitioner and the Tuberculosis Officer on the particular cases.